

Government that Works!

New Jersey Department of the Treasury

LOCAL GOVERNMENT BUDGET REVIEW

CITY OF BRIDGETON

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GOVERNMENT THAT WORKS

OPPORTUNITIES FOR CHANGE

The Report of the City of Bridgeton

New Jerseyans deserve the best government their tax dollars can provide. Governor Whitman is committed to making state government leaner, smarter and more responsive by bringing a common sense approach to the way government does business. It means taxpayers should get a dollar's worth of service for every dollar they send to government, whether it goes to Trenton, their local town hall or school board. Government on all levels must stop thinking that money is the solution to their problems and start examining how they spend the money they now have. It is time for government to do something different.

Of major concern is the rising cost of local government. There is no doubt that local government costs and the property taxes that pay for them have been rising steadily over the past decade. Prior to Governor Whitman's taking office in 1994, the state had never worked as closely with towns to examine what is behind those costs. That is why she created the Local Government Budget Review (LGBR) program. Its mission is simple: to help local governments and school boards find savings and efficiencies without compromising the delivery of services to the public.

The LGBR program utilizes an innovative approach combining the expertise of professionals, primarily from the Departments of Treasury, Community Affairs and Education, with team leaders who are experienced local government managers. In effect, it gives local governments a comprehensive management review and consulting service by the state at no cost. To find those "cost drivers" in local government, teams review all aspects of local government operation, looking for ways to improve efficiency and reduce costs.

In addition, teams also document those state regulations and mandates which place burdens on local governments without value added benefits and suggest, on behalf of local officials, which ones should be modified or eliminated. Teams also look for "best practices" and innovative ideas that deserve recognition and that other communities may want to emulate.

Based upon the dramatic success of the program and the number of requests for review services, in July 1997, Governor Whitman ordered the expansion of the program, tripling its number of teams in an effort to reach more communities and school districts. The ultimate goal is to provide assistance to local government that results in meaningful property tax relief to the citizens of New Jersey.

THE REVIEW PROCESS

In order for a town, county or school district to participate in the Local Government Budget Review program, a majority of the elected officials must request the help of the review team through a resolution. There is a practical reason for this: to participate, the governing body must agree to make all personnel and records available to the review team, and agree to an open public presentation and discussion of the review team's findings and recommendations.

As part of the review, team members interviewed each elected official, as well as employees, appointees, members of the public, contractors and any other appropriate individuals. The review teams examined current collective bargaining agreements, audit reports, public offering statements, annual financial statements, the municipal code and independent reports and recommendations previously developed for the governmental entities, and other relative information. The review team physically visits and observes the work procedures and operations throughout the governmental entity to observe employees in the performance of their duties.

In general, the review team received the full cooperation and assistance of all employees and elected officials. That cooperation and assistance was testament to the willingness on the part of most to embrace recommendations for change. Those officials and employees who remain skeptical of the need for change or improvement will present a significant challenge for those committed to embracing the recommendations outlined in this report.

Where possible, the potential financial impact of an issue or recommendation is provided in this report. The recommendations do not all have a direct or immediate impact on the budget or the tax rate. In particular, the productivity enhancement values identified in this report do not necessarily reflect actual cash dollars to the municipality, but do represent the cost of the entity's current operations and an opportunity to define the value of improving upon such operations. The estimates have been developed in an effort to provide the entity an indication of the potential magnitude of each issue and the savings, productivity enhancement, or cost to the community. We recognize that all of these recommendations cannot be accomplished immediately and that some of the savings will occur only in the first year. Many of these suggestions will require negotiations through the collective bargaining process. We believe, however, that these estimates are conservative and achievable.

**LOCAL GOVERNMENT BUDGET REVIEW
EXECUTIVE SUMMARY
CITY OF BRIDGETON**

Municipal Clerk/Registrar

The transfer of registrar functions to the municipal clerk's office can result in a reduction of staff by one saving \$29,480.

The addition of software to complete the existing package and enhance productivity should cost approximately \$2,200.

Building & Housing Inspections (UCC)

The assessment and collection of penalties of only five percent of fees collected, which heretofore had been zero, would result in a revenue enhancement of \$4,110.

An adjustment in permit fees of seven percent will result in a revenue enhancement of \$5,755. The elimination of one part time staff person will result in savings of \$5,566.

The elimination of one housing inspector, one clerical person, and two laborers will result in savings of \$68,919.

An increase in rental unit registration fees of \$13 will generate approximately \$50,000 in additional revenues.

The above steps will enable the city to reallocate \$94,000 in CDBG funds to improvement projects from salaries, improving program impact.

These steps total of \$228,350 in a combination of savings, revenue enhancements, and program efficiencies.

Water and Sewer Utility

A reduction of one clerical staff will save approximately \$20,000, as a result of installing an electronic meter reading system. This option should be weighed against the cost of the system.

An adjustment in the rate structure for Significant Industrial User (SIU) customers, currently being charged less than cost, will generate an additional \$395,827.

Increasing collections to 95% from the current rate will generate an additional \$324,542.

Elimination of the \$225,000 payment to the city from the utility will save the utility but will impact the municipal budget by the same amount.

Finance

The elimination of the part time treasurer's position will save the city \$6,075, plus the payment in lieu of benefits, which is included in the insurance section.

The sale of the water and sewer utilities has the potential of generating one-time revenue of \$7,271,459. This amount is based upon the net value of the asset as represented in the audit. In addition, a reduction of \$600,000 of interest paid out should result if these funds would be utilized to retire debt. The sale of the utility is not directly quantified in the Executive Summary Spreadsheet due to the size, and complex nature.

Tax Assessment

A reduction in the reliance on consultant will save approximately \$1,750.

If the city were to exercise the clause in the original PILOT agreement of the Amity Heights project to divest the city of the South East Recreation Area and transfer the facility to the owner Amity Heights the city would save \$37,203.

Solicit additional funds from the Amity Heights project to cover the total cost of the police sub station for a revenue enhancement of \$14,059.

Tax Collection

An increase in the collection rate to 95% would result in additional income of \$544,416.

The sale of properties on which the city holds liens would net approximately \$433,212.

Solid Waste Utility

Re-negotiate contract so that it reflects the correct number of trash pick up should save \$89,319.

A reduction of tipping fees should result in a reduction of \$78,295.

An increase in the collection rate to at least 95% will result in a revenue increase of \$18,709.

Public Safety

The elimination of the part-time director of public safety should save \$7,171 plus the payment in lieu of benefits, which is listed in the Insurance section of this report.

The adoption of the recommended scheduling should save approximately \$292,311.

The elimination of the forensic unit and the transferring of this responsibility to the County Prosecutor and/or the State Police should save \$150,036.

The addition of the position of captain would add an additional \$12,000 to cost.

The elimination of fire protection bureau and utilization of the fire department and existing firefighters would save \$3,500.

The renegotiating of the sick leave provision in the fire fighters contract could save \$5,994.

Personnel Policies and Contracts

Adopting, through the negotiation process, the state minimum regarding vacations would save approximately \$45,138, and the elimination of longevity would net the city savings of \$115,469. The enforcement of sick leave accountability could potentially save \$57,436.

Recreation and Public Affairs

The charging of recreation user fees could generate \$15,000.

The avoidance of borrowing additional Green Acres funds would save \$1,225,551 over the life of the loan.

The divesting of city-owned land that is not located within the city, but used as part of the park system, could generate approximately \$311,723.

A combination of alternatives to the recreational beach has the potential of saving approximately \$6,399.

The use of the clerk at the zoo for strictly city work during normal business hours would result in a productivity enhancement of approximately \$6,000.

Having the city receive and account for all donations to the zoo instead of the non-profit zoological society would generate approximately \$4,000.

The charging of an admission to the zoo, which is now free, could net approximately \$108,000. The elimination of the tourist center as a municipal facility could save approximately \$39,712.

Library

The soliciting of donations to the Woodruff Museum could net approximately \$1,500.

The installation of video cameras would cost approximately \$1,000 but have the potential of saving the library up to \$3,034 in staff security time.

A modification of library hours could save as much as \$2,125.

Court

The utilization of bi-lingual assistant violation clerks instead of interpreters could save \$6,365.

Adoption of a new table of organization would cost \$5,603.

A reduction in the time wasted by police officers waiting in court and not performing police functions would save \$36,000 for the police budget.

The utilization of a bailiff would cost approximately \$4,844.

A reduction in court overtime would save \$22,700.

An increase of 1.3% in collections of time payments would result in an additional \$292,743 being realized by the city from its share of fines assessed alone.

Public Works

An increase in security at the public works compound through electronic surveillance would cost approximately \$5,000.

Increased security would result in a productivity enhancement of approximately \$12,000 by not having to move vehicles.

The purchase of a maintenance software program would cost about \$500.

An increase in productivity would result in an enhancement of about \$39,180.

An increase in building maintenance productivity or competitively contracting would result in an enhancement of about \$12,258.

The elimination of sweeping county and state roads would save \$35,646 and the resulting change in the sweeping schedule would save an additional \$18,706.

The utilization of UEZ funding for workers being used in the UEZ area would save approximately \$37,229.

Department of Personnel Issues

Transfer 911 dispatch to the county 911 center would save the city \$119,249.

The questionable payment to the chief of police could save \$19,470.

Economic Development, Planning, Community Development

A reduction in staff and restructuring the new proposed organization would result in a savings of \$66,754.

Eliminate planners position, as it is unnecessary, would save about \$7,997.

A reduction in staff and reorganization would save about \$18,535.

The combining of the planning and zoning boards would save \$6,200 in duplicate solicitor costs.

Insurance

The adoption of the state standard regarding the payment of workman's compensation would result in savings of approximately \$9,405.

Should the city make a payment in lieu of benefits at capped level of one half of NJ Plus and eliminate this payment to part time employees the city would save \$38,296.

If the city were to require employees to pay the upcharge for health insurance of 20%, the city would realize savings of \$80,843.

<u>Areas Involving Monetary Recommendations</u>	<u>Onetime Savings/ Expense</u>	<u>Annual Savings/ Expense</u>	<u>* Potential Savings</u>	<u>Totals</u>
Municipal Clerk/Registrar				
Complete Registrar's Software Package	(\$2,200)			
Transfer Registrar's Duties to Clerk's Office & Eliminate 1 Staff		\$29,480		
				\$27,280
Building & Housing Inspections (UCC)				
Collect UCC Penalties of 5%		\$4,110		
Adjust BOCA Fees by 7%		\$5,755		
Eliminate PT Administrative Staff		\$5,566		
Eliminate 1 Housing Inspector, 1 Clerical & 2 Laborers		\$68,919		
Increase Rental Registration Fees by \$13 Per Year		\$50,000		
Reallocate CDBG Funds to Program From Salaries		\$94,000		
				\$228,350
Water & Sewer (Utility)				
Reduce Clerical Staff as a Result of Computerized Meter Reading *		\$20,000 *		
Adjust Rate Structure Including SIU Customers		\$395,827		
Increase Collections to 95%		\$324,542		
Delete Payment to City From Utility Due to Lack of Surplus		\$225,000		
Loss of Revenue to City From Utility Due to Lack of Surplus		(\$225,000)		
				\$740,369
Finance				
Eliminate Treasurer Position (See Notation for Additional Items)		\$6,075		
				\$6,075
Tax Assessment				

Eliminate Consultant Services	\$1,750		
Divest City of SE Recreation Area in Accordance w/agreement	\$37,203		
Increase Payment for Police Sub-Station Amity Heights	\$14,059		
			\$53,012
Tax Collection			
Increase Collections to 95%	\$544,418		
Sale of Property City Holds Liens	\$433,212		
			\$977,630
Solid Waste (Utility)			
Renegotiate Contract to Cover Correct Number of Pickups	\$89,319		
Tipping Fee Reduction	\$78,295		
Increase Collection Rate to 95%	\$18,709		
			\$186,323
Public Safety			
Eliminate Director of Public Safety	\$7,171		
Adopt Recommended Scheduling Method	\$292,311		
Eliminate Forensics Unit	\$150,036		
Add Police Captains Position	(\$12,000)		
Eliminate Fire Protection Bureau & Use Existing Firefighters	\$3,500		
Re-Negotiate Sick Leave in Fire Contract		\$5,994	
			\$447,012
Personnel Policies and Contracts			
Adopt State Minimum on Vacations		\$45,138	
Eliminate Longevity		\$115,469	
Enforce Sick Leave Accountability	\$57,436		
			\$218,043

Recreation & Public Affairs

Adopt Recreation User Fees		\$15,000	
Avoid Borrowing of Green Acres Funds (Cost Avoidance Over Loan Life) **	\$1,225,551 **		
Divest the City of Property Owned Not in City Limits	\$311,723		
Beach Alternative(s)		\$6,399	
Use Clerk at Zoo for Only City Function		\$6,000	
Have City Collect Donations		\$4,000	
Charge Admission Fee at Zoo		\$108,000	
Eliminate Tourist Center as a City Financed Facility		\$39,712	
			\$1,716,385

Library

Solicit Donations for Woodruff Museum		\$1,500	
Install Video Monitoring of Museum	(\$1,000)		
Eliminate Staff Presence in Museum as Result of the Video Monitoring		\$3,034	
Modify Hours Library is Open		\$2,125	
			\$5,659

Court

Utilize Bi-Lingual Assistant Violations Clerk Instead of Interpreters		\$6,365	
Utilize New Table of Organization		\$5,603	
Reduce Time in Court by Police Officers		\$36,000	
Utilize Bailiff for Court Security		(\$4,844)	
Reduce Overtime by Two Thirds Through Schedule Changes		\$22,700	
Increase Collections of Time Payments by 1.3%		\$292,743	
			\$358,567

Public Works

Increase Security at Public Works Compound	(\$5,000)		
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Increased Security would Negate Necessity to Secure Vehicles Inside		\$12,000	
Purchase Maintenance Software	(\$500)		
Increase Maintenance Productivity by 33%		\$39,180	
Increase Building Maintenance Productivity or Competitively Contract		\$12,258	
Eliminate Sweeping County & State Roads		\$35,646	
Sweep Remaining Streets Every Other Week		\$18,706	
Utilize UEZ Funding for Maintenance of Portions of Urban Enterprise Zone		\$37,229	
			\$149,519
Department of Personnel Issues			
Transfer Police Dispatch to County 911 Center		\$119,249	
Define Sick Leave Policies (Chief of Police, Questionable Expenditure)	\$19,470		
			\$138,719
Economic Development, Planning, Community Development			
Reduce Staff & Adopt New Department Structure		\$66,754	
Eliminate Zoning Staff Position		\$7,997	
Reduce Staff & Planners Function		\$18,535	
Combine Planning and Zoning Boards & Eliminate One Solicitor		\$6,200	
			\$99,486
Insurance			
Adopt State Standard Regarding Workman's Comp. Payments		\$9,405	
Cap Pmt in Lieu of Insurance to 1/2 of NJ Plus and Delete PT Employees		\$38,296	
Have Employees Pay Upcharge for Premium Plans		\$80,843	
			\$128,544

Total Potential for Savings Including Utilities	\$1,981,256	\$3,204,572	\$295,145	\$5,185,828
Less Utility Savings (Water & Sewer)				(\$740,369)
Less Utility Savings (Solid Waste)				(\$186,323)
Total Potential for Savings (Municipal Budget)				\$4,259,136

* \$295,145 not included in savings of \$4,259,136.

Total Amount Raised for Municipal Tax 1998	\$3,981,000
Savings as a Percent of Municipal Tax	107%

Total Budget 1998	\$13,099,455
Savings as a Percent of Budget	33%

Total State Aid 1998	\$6,164,031
Savings as a Percent of State Aid	69%

* The value of this item must be evaluated against the cost of the automated system.

** The value of this item is the total cost avoidance over the life of the loan.

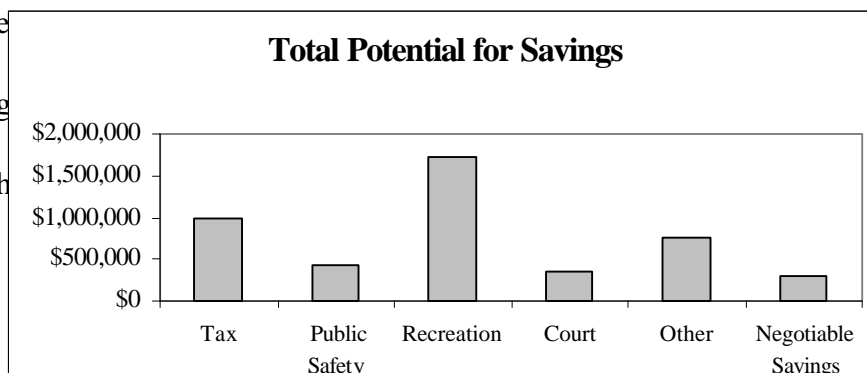
Additional Items Not Included in Above

Sale of the Water/Sewer Utility \$7,271,459

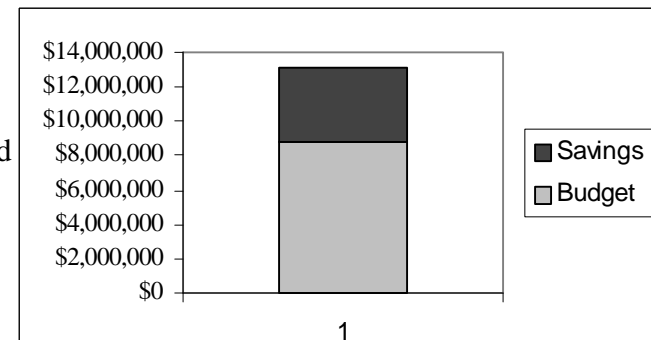
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COMMUNITY OVERVIEW

Bridgeton is a community of approximately 18,500 residents, encompassing 6.45 square miles. It is the County Seat of Cumberland County. Centrally located in the southern part of the state, it is nearly equidistant from Philadelphia, the Jersey Shore and Wilmington. According to the 1990 census, 21% of the population are high school graduates and 5.5% are college graduates and beyond. Individuals employed in professional, sales and managerial positions comprise 18% of the population.

Bridgeton has experienced a decrease in overall population since 1970 of approximately 9.5%, and is comprised of 56% white and 44% minority.

Bridgeton is essentially fully developed, and has capitalized on its Victorian Architecture in the Center City area by installing Victorian lighting and brick pavers, that ultimately lead to a river front promenade. The city has suffered severely from the loss of several industrial companies that have closed their doors in recent years. These plants have remained vacant and present a major obstacle to Bridgeton's future. Conversely, it is home to a newly constructed state office building, a new addition to the county courthouse, and the newly completed South Woods State Prison. These government activities provide needed employment to area residents.

The city is fortunate to have Cumberland County College, the Guarancini Cultural Arts Center, the Cumberland County Technical Education Center, and the Cumberland County Library located nearby. The Cohanzick Zoo and the New Sweden Village located in the city's main park area, and adjacent to the Cohanzick River, provide unique recreational opportunities to area residents. Bridgeton promotes itself, as having the largest Historical District in New Jersey and it is also the home to one of the state's first Urban Enterprise Zones.

Regrettably, this area has one of the highest unemployment rates in the state, a high teen pregnancy rate and one of the highest dropout rates statewide. The violent crime rate in Bridgeton, at the time of the review, was three times the state average and the highest in the county of the three major communities. The per capita income level is approximately 17.6% below the county average and Bridgeton residents make up about 26.8% of county residents below the poverty level. The per capita ratable base, a measure of a community's ability to generate income, is \$19,745 versus \$30,676 for the county, or 35.6% below the average in Cumberland County.

While some of the largest, older, single-family homes in the county are located in Bridgeton, the city has experienced serious declines in the quality of the city's housing stock in recent years. This decline is most notable in the area surrounding a large multi acre tract that once was home to one of the area's largest glass producers. The re-use of this and other sites provides a major challenge to this city's leadership for job creation, tax base retention and improvement to the quality of life. This challenge does not stop at the municipal level but challenges Cumberland County government and state government as well since both other levels of government have made such a long term commitment to the city.

It should be noted that the city is the host community of the county government and home to many county facilities. This generates spin-offs in the form of increased commerce and employment opportunities. However, the city pays for this privilege in the form of providing substantial services to the county government without receiving compensation for it. This comes, of course, in the form of unrealized tax revenue since the county is exempt from paying for these services. The impact of exempt properties is detailed in the tax assessment section of this report.

A historical trend summary of property tax rates for the City of Bridgeton from 1993 to 1997 appear in both table and graph format in Appendix A and B. Additionally, a trend analysis of introduced budgets for the years 1995 through 1998 appear in Appendix C.

The governing body in Bridgeton is being greatly challenged by a variety of economic, social, and internal management issues. As a result of these issues, the mayor and council must evaluate all city services and

determine which are essential, and those that could be scaled back or eliminated, without severely impacting negatively upon city residents.

I. BEST PRACTICES

A very important part of the Local Government Budget Review report is the Best Practices section. During the course of every review, each review team identifies procedures, programs and practices, which are noteworthy and deserving of recognition. Best practices are presented to encourage replication in communities and schools throughout the state. By implementing these practices, municipalities and school districts can benefit from the Local Government Budget Review process and, possibly, save considerable expense on their own.

Just as we are not able to identify every area of potential cost savings, the review team cannot cite every area of effective effort. The following are those best practices recognized by the team for their cost and/or service delivery effectiveness.

Library

The Bridgeton Free Public Library is to be commended for cooperative efforts with other libraries within Cumberland County and for its efforts to maintain the library as a popular reading library. The cooperative effort of the library staff has ensured that materials and programs are not duplicated between the county library and the city library.

Also, the Bridgeton Public Library is a cooperative partner in the Cumberland Libraries United Electronic System (CLUES) which is hosted by the Cumberland County Library. Participants are the Cumberland County Library, Bridgeton Library, Bridgeton High School resource center, Cumberland County College Library, Millville Library, and Vineland Library. The CLUES provides an electronic platform for participating libraries to track materials and circulation on a countywide basis. Generally, the participating libraries cooperatively set consistent patron policies, circulation policies and late fines. Anyone with a library card for any of the participating libraries may borrow materials and return materials at any of the libraries. CLUES also provides information regarding availability of materials at all participating libraries. Participating libraries make use of the free Comet delivery service provided by the state library to deliver materials to the library most convenient for the borrower by the next day. Staff of the participating libraries meet periodically to ensure CLUES is providing the services needed.

The Cumberland County Library makes every effort to ensure the cost to the participating libraries remains as low as possible. The cost to the Bridgeton Library for participating in CLUES for fiscal 1997 was \$8,162, which was \$2,338 less than budgeted.

Department of Public Works

Community Service/Welfare Workers

This area could easily be considered a best practice for the City of Bridgeton. The city benefits greatly from complementing its paid DPW staff with volunteer welfare participants and inmates available for outside work details. The DPW places these volunteers on crews headed up by the paid employees. These volunteers are placed wherever it is most needed, but the majority of the assistance is received in the parks and streets & roads functions.

In 1997, the DPW received volunteer assistance from numerous people, totaling in excess of 7,250 hours. This equates, based upon a 2,080 hour work year, to 3.5 full-time personnel. In talking with the DPW supervisors, they say that the majority of these volunteers are hard working, but as in most areas of work, some people work harder than others. However, in talking to others in the department, the level of performance is questionable. If you were to use a 15% factor to adjust for poor workers, the city still received volunteer labor amounting to approximately 3 full-time personnel. At the average salary and benefit cost of \$35,904 for the streets, roads, and parks laborers, the city saves approximately \$107,712 per year by utilizing the welfare and community service volunteers.

II. OPPORTUNITIES for CHANGE/FINDINGS and RECOMMENDATIONS

The purpose of this section of the report is to identify opportunities for change and to make recommendations that will result in more efficient operations and financial savings or enhancements for the municipality and its taxpayers.

In its study, the review team found the municipality makes a conscious effort to control costs and to explore areas of cost saving efficiencies in its operations. Many of these are identified in the best practices section of this report. Others will be noted as appropriate in the findings to follow. The municipality is to be commended for its efforts. The review team did find areas where additional savings could be generated and has made recommendations for change that will result in reduced costs or increased revenue.

Where possible, a dollar value has been assigned to each recommendation to provide a measure of importance or magnitude to illustrate cost savings. The time it will take to implement each recommendation will vary. It is not possible to expect the total projected savings to be achieved in a short period of time. Nevertheless, the total savings and revenue enhancements should be viewed as an attainable goal. The impact will be reflected in the immediate budget, future budgets, and tax rate(s). Some recommendations may be subject to collective bargaining considerations and, therefore, may not be implemented until the next round of negotiations. The total savings will lead to a reduction in tax rates resulting from improvements in budgeting, cash management, cost control and revenue enhancement.

ADMINISTRATION

The city operates under the mayor-council form of government. During the most recent four-year period, Bridgeton has actually had three mayors, as a result of a set of unusual circumstances. The city also has a full-time business administrator with two individuals assigned for clerical/secretarial support. The support staff, among a variety of normal administrative functions, also maintains all personnel and employee benefit records.

During the course of the review, the team frequently observed the administrator's office. It was evident that, while the overall workload of this office was significant, the staff appeared to be able to keep up with it.

A major concern of the team was that department head meetings were not held. As a result of this, a lack of coordination and communication between the various departments existed. The team perceives this as a serious problem, which has resulted in a genuine lack of efficiency and productivity.

Recommendation:

The administrator should initiate staff meetings to be held on a regular and frequent basis in order to establish lines of communication between the city administration and coordination between departments.

MUNICIPAL CLERK/REGISTRAR

Bridgeton separates the function of municipal clerk and registrar and accounts for them separately. However, in many cities the function of registrar is a routine function of the municipal clerk's office.

MUNICIPAL CLERK

This person serves under authority of N.J.S.A. 40A:9-133. The municipal clerk is the official custodian of the municipal seal and all vital municipal records including, but not limited to, all minutes, books, deeds, bonds, ordinance book(s), contracts, legal advertisements, and archival records of the city.

During elections the clerk is the chief administrative officer and the year round registrar of voters. The clerk is also the administrative officer for the application and issuing of licenses and permits except where statute or municipal ordinance has delegated the responsibility to some other municipal officer.

This person is the secretary to the governing body (city council). In the role of secretary to the governing body, this person is extensively involved in telephone work, preparing council meeting agendas, copying documents for distribution, drafting letters to constituents, completing mailings, and attending governing body meetings. The clerk is also the person responsible for maintaining recordings and minutes of meetings, retaining original copies of all ordinances and resolutions, and ensuring that the ordinance book is current.

The clerk's office consists of the clerk, whose primary title is "principal clerk," with secondary titles of municipal city clerk, PT, and deputy registrar of vital statistics. This person receives compensation in the amount of \$21,349 for the primary title, and additional compensation of \$4,800 and \$3,000 respectively for the two subordinate titles, for a total of \$29,149.

In addition to the department head, the office is staffed by a receptionist/telephone operator who also carries the subordinate title of sub. deputy registrar. This person is compensated \$20,349, including \$1,150 longevity for her primary title and an additional \$1,100 for her duties performed as sub. deputy registrar, totaling \$21,449.

The third and final person in the office is a senior clerk typist. This person also carries the title of sub. deputy registrar. Compensation for the third person is \$18,843, plus an additional \$800 for a total of \$19,643. All salaries referred to above are at current 1998 levels. While we have listed the amounts paid for subordinate titles here, they have been allocated to the Office of the Registrar when performing the cost analysis of that office and the Office of City Clerk. The 1997 labor costs, including all benefits and non-monetary compensation, appear in the chart that follows:

Job Title	Salary Plus Other Costs	Allocation to Registrar	Net Cost to Clerk's Office
Clerk	\$42,629.00	\$4,306.79	\$38,238.21
Receptionist/Tel. Operator	\$33,457.00	\$1,706.31	\$31,750.69
Sr. Clerk Typist	\$25,062.00	\$1,027.54	\$24,034.46
Total	\$101,148.00	\$7,040.64	\$94,023.36

The team observed the clerk's office numerous times and interviewed the clerk and clerical personnel. The office, on the surface, seemed to be well run and organized and we observed a spirit of teamwork. The staff in the office frequently helped each other with assigned tasks and filled in for the registrar when that person was at lunch or not in the office, for whatever reason. We observed these employees responding quickly and courteously to people while telephone calls kept coming into the clerk's office. They either gave out requested information or directed the person, or the call, to the proper office.

The cost of operating the office for 1997 follows:

Year	Salaries & Wages Total Costs	Operating Expense	Total Operational Costs
1997	\$94,023.36	\$17,390.26	\$111,413.62

The clerk's office utilizes a standard voice mail switchboard, which is becoming a common practice among many businesses and branches of government. As with many systems of this type, it irritates some people at times, due to the length of the messages. However, it eliminates the necessity of requiring one person to be present at the switchboard at all times. As a result, an increase in productivity is the by-product.

Recommendation:

Efforts should be made to keep voice mail messages as short as possible to lessen the wait time for incoming callers.

REGISTRAR OF VITAL STATISTICS

The office of the registrar of vital statistics is located on the first floor of the City Hall Annex, across the hall from the business administrator. It is conveniently located for easy access by the public. Staff in the office consists of one full time person. However, the city clerk and all members of the clerk's office carry split titles of deputy registrar and they frequently assist on a daily basis.

This office records births, deaths, and marriages in Bridgeton and performs required related work as assigned, in addition to the preparation of varied statistical reports. During the last three years, an average of 6,653 requests for service per year were performed. For these services the city received an average of \$31,100 per year in fees over the last three years.

The following table illustrates income versus expense for the year 1997, exclusive of utilities and space costs.

Year	Salary & Wages at Position Value	Operating Expense	Total Cost of Office	Income Received	Net Surplus (Loss)
1997	\$36,604	\$1,922	\$38,526	\$32,921	(\$3,683)

The office utilizes a non-networked personal computer and software specific to the registrar function to maintain birth records, but maintains all other records manually utilizing paper forms. It was evident that the software had the capability of maintaining other records but the modules necessary to perform these functions had never been purchased, or never installed. The team attempted to contact the firm that supplied the software, by telephone and in writing, to determine a cost to upgrade the system. Our calls were never returned and letter never answered. It is the opinion of the team that a complete software package and networked computer would enhance efficiency and the speed of information recovery significantly.

Recommendation:

The city should attempt to complete the software package in order to enhance service to the public and improve efficiency in providing this service. We conservatively estimate the cost of this service, using the price list previously supplied to the city, plus a cost escalation of 10% to be \$2,200.

Value Added Expense: \$2,200

We further recommend that this function be combined with the services performed by the city clerk's office staff. The city clerk in other municipalities routinely performs this function with staff in that office acting as deputy registrars. This is easily accomplished since both offices are adjacent and physically connected. Staff in the clerk's office are currently trained and fill in during the absence of the registrar. The transfer of this function could accomplish a reduction in staff of one person.

Cost Savings: \$29,480

Many fees charged for these services are set by statute and are currently on a par with those that are charged in nearby cities. Those that may not be set by statute should be reviewed regularly and adjusted as conditions and costs dictate.

BUILDING AND HOUSING INSPECTIONS

This department is currently structured within the framework specified in the Bridgeton Administrative Code. One change the team is recommending requires moving the planning function and one clerical support position to the recommended development department, detailed later in this report. Some changes in the recommended table of organization are detailed in Appendix C.

UCC AND HOUSING

For purposes of this report we will discuss building and housing independently, but the team stresses the functions and actual working relationships must be interrelated and coordinated as much as possible.

There are two significant changes, which we believe can be made, involving the construction official and the supervisor of housing inspections. The administrative code calls for a department director. We believe the city can operate this department effectively under the leadership of the construction official. In addition, we believe the city can eliminate the need for a part-time zoning officer and incorporate those functions within the office of the supervisor of housing inspections for about a third of that person's time in that capacity.

UNIFORM CONSTRUCTION CODE (UCC)

This part of the department is staffed by the construction official, who also performs plan review and building sub-code inspections, the fire sub-code official, the electrical sub-code official, and the plumbing sub-code official, plus two clerical support persons. The elevator sub-code function is currently contracted to a third party vendor.

All of the inspection positions are currently part-time and all of these individuals, with the exception of one, plumbing, work in other municipalities, in similar capacities. The plumbing sub-code official is employed full-time as an instructor at the Cumberland County Technical Education Center.

The recommended restructuring of the office places the construction official in the capacity of department head. The city may wish to make the construction official a full-time position based on additional duties and responsibilities as a department head. The team, however, does not believe this to be a necessity since lower level supervision will still be available and actual permit work has remained relatively constant over the last few years.

Finance reports reflect an operational deficit of approximately \$15,468, for 1997. This is due to a combination of factors:

- a. Less than the anticipated number of permit applications.
- b. Work being performed without obtaining the required permits.
- c. Excessive operational costs in the department.
- d. Fees structured at artificially low levels.
- e. Bridgeton does very little to impose or collect penalties permitted under the BOCA code.

Salaries granted to the officials do not seem out of line, with the possible exception of the construction official, who currently shares his work relationship with two other neighboring communities.

The deficit condition appears to have been present for some time, based on uniform construction code annual reports reviewed from the last three years, which indicate the deficit has been present for at least that time period and has ranged from \$6,000 to \$24,000 per year. The team believes the need to address the deficit is an important issue and we will offer a scenario aimed at reducing this shortfall. It should first be noted that, according to statute, this department is permitted to be self-supporting rather than rely on property tax as a subsidy.

Collections of penalties estimated at only 5% of fees collected could enhance revenues by approximately \$4,110 without any change in existing fees as they currently stand. This effort alone could reduce the deficit amount to \$11,358. Increased inspections using existing housing inspectors will be required as well as additional time spent by sub-code officials in the field. The increased inspections should impact upon any work currently being done without obtaining the appropriate permits, although this amount cannot be quantified by the team.

Recommendation:

Collection of UCC penalties of only 5% should generate an additional \$4,110.

Revenue Enhancement: \$4,110

The fee structure in Bridgeton was last adjusted in June, 1995. However, current revenues continue to be short of budget expectations. Therefore, we suggest the construction official seek an approximately 7% increase in fees, which would total about \$5,755.

Recommendation:

Adjust UCC fees upward by 7% totaling \$5,755, to address negative budget numbers and lack of increasing permits.

Revenue Enhancement: \$5,755

It is also suggested the construction official can reduce his staff by eliminating the part-time administrative clerk, saving approximately \$5,566 in salary costs. This can reduce existing expenditures and still permit the construction official to work with a clerical or control person to achieve what clerical functions and technical support is still required. The newly developed table of organization reflects an additional support position in the form of a permit clerk or clerical support in general for the remainder of the reorganized department.

The reorganization suggested in this report places housing inspections under the construction official, but also requires the inspectors to be far more active in their investigative activity.

Recommendation:

Reorganize the building and housing inspection department by placing the construction official as department head over UCC and housing inspections as well as the zoning officer, who would now be shared with the Department of Development.

Phase out the part-time administrative secretary in the construction office for a savings of \$5,566.

Cost Savings: \$5,566

An option that the governing body could also consider would be to contract additional BOCA sub-code inspections to third party agencies as it has done for elevator inspections. Some cities have found this to be

an economical alternative to having personnel on staff. Generally a community receives 15% of the total permit fee for contracted inspections without incurring anything other than clerical costs. The governing body, keeping in mind any corresponding potential loss in service, must weigh this action.

HOUSING DIVISION

The housing division has been operating with a housing supervisor, three inspectors, as well as two clerical support staff. A review of the most recent year demonstrated that the total number of inspections conducted totaled 950, about one per day per inspector, for the entire staff. This included both housing rental units, as well as new home sales. At present there are approximately 3,778 registered rental units in Bridgeton. The owners of these properties pay \$36 annually for registration purposes. The housing inspection team inspects these properties for BOCA code violations only at the time of an occupancy change, under the authority of an ordinance adopted in the mid 1980's. The team believes that this schedule of infrequent inspections is a contributing factor to the deterioration of housing units within the city.

The department currently utilizes \$94,000 of the city's CDBG grant to pay for salaries associated with housing inspections. This practice removes those funds from direct property improvement activities. Based upon the general appearance of many of Bridgeton's structures, it is evident that these funds are needed for physical property improvement projects. Consequently, the team feels that this money should be reallocated to physical improvement projects. The team also believes that the housing inspection department should endeavor to support its own operation through inspection fees and restructuring staff. In this regard an increase in housing/inspection fees of approximately \$13 to \$49 should be considered. This action should generate an additional \$50,000 to cover costs of inspections, including a slight increase in registrations as a result of heretofore unregistered units. We are also asking the inspectors to work with the construction official to identify UCC violations and detect the need for additional permits. We do not believe the number of inspectors is justified by the amount of inspections accomplished each year by the housing division; therefore, we are confident that the city can reduce the staff by one inspector, saving approximately \$22,915 in direct costs. In addition, we also suggest that one of the clerical support be phased out, saving an additional \$19,114.

For the last few years the housing division has used two laborers to do minor improvements and cut grass at unsightly properties throughout the city. We believe this function should be performed by the public works department, with supplemental labor supplied by community service workers assigned by the judge, or welfare department saving an additional \$14,282. These staff savings combined with benefit reductions of \$12,608 add up to approximately \$68,919 in actual savings.

Recommendation:

Reduce staff via elimination of one housing inspector, one clerical support, and two laborers for total savings of \$68,919 including benefits.

Add zoning duties to the supervisor of housing inspections using approximately 1/3 of his time and require he do additional inspections.

Cost Savings: \$68,919

As discussed in our previous sections, the supervisor of housing would continue in his current role with additional responsibility for zoning. This change is significant and reflects the new administrative structure, the need for additional inspections, and the real lack of performance found in the current zoning operations. Inspections of all types will increase under these conditions. The team has surveyed other communities and has found that the number of necessary inspections is not unreasonable, and is accomplished elsewhere. The scenario reflects the importance of the need to send CDBG money back to its primary intent, improvement of the community.

Recommendation:

Although already stated in the previous section, raising fees in housing to \$49 will raise an additional \$50,000 to meet budget deficits and return \$94,000 in CDBG money to physical program needs.

Revenue Enhancement: \$50,000

Productivity Enhancement: \$94,000

WATER AND SEWER

ORGANIZATION

The city provides water and sewer service to commercial, residential and industrial customers. The utilities are constituent entities of the municipality and fall under the authority of the governing body for operational policies and rate setting. According to the administrative code, the utilities are divisions of public works and report to the public works director. In practice, however, the divisions are largely autonomous and report directly to the business administrator. As with the majority of city departments, coordination with other city divisions takes place on an informal and infrequent basis.

A superintendent of water and sewer and senior pumping station operator constitute the supervisory staff within the division. The water and sewer divisions comprise 16 employees. Eleven employees are assigned to the water division and five are assigned to the sewer division. Four of these positions are clerical with two assigned to the central collections office and two at the water utility building. Supervision appears to be adequate for the size and scope of the utility operation.

Recommendation:

The team recommends the city follow the administrative code in which the sewer and water utilities report to the public works director. This reporting relationship will enable the city to better coordinate the significant personnel resources and equipment inventory of the city. The consolidation of administrative duties and additional labor savings through automation of meter reading and billing processes will enable the city to realize labor savings through reduced clerical staff presently assigned to the utility.

SERVICE AREA

Nearly the entire city is connected to municipal water and sewer service. Only a few outlying areas along the periphery of the city have well water or septic systems. The city is almost completely built up, so there is little opportunity for any major expansion of residential consumption. The customer base consists of approximately 6,000 residential, 225 commercial and 7 significant industrial/institutional users.

The present water supply system has a maximum plant design capacity of 6,240,000 gallons per day. The peak actual usage was a total of 4,232,000 gallons on July 17, 1997. The utilities will experience a major increase in water and sewer service when the new state prison becomes fully operational. The cost of the installation of the pumping stations and ancillary facilities needed for the prison are being paid for by the state. In a sewer rate study prepared for the city in 1997, projections indicate that the state prison will have a sewer flow rate of 875,000 gallons per day. By contrast, the typical residential user has a daily average flow rate of 204, which totals approximately 1,224,000 gallons per day for the 6,000 residential customers only.

Sewage effluent is conveyed by forced mains to the Cumberland County Utilities Authority for treatment. The county sewage treatment facility is located in Bridgeton.

MAINTENANCE AND OPERATIONS

The primary task of the sewer and water utility staff is the maintenance and repair of the water conveyance and sewer collection system. In the past, maintenance and repair work was performed in a reactive fashion with little scheduling or record keeping. Presently, the staff maintains manual notebooks to document work performed on street valves, hydrants and manholes. The notebook is basically a daily activity log maintained by each employee performing maintenance. There is still no master list of maintenance performed per component of infrastructure or equivalent.

The current logbook system is an improvement over the past in terms of documentation. The department should strive to establish a preventive maintenance schedule with a more systematic basis based upon a periodic schedule. A consultant was selected to devise a scheduled maintenance program for the sewer utility, in addition to a rate study for sewer charges in 1996. At the time of the review, the maintenance program schedule had not yet been completed.

Recommendation:

The city should follow up with the consultant to insure that the operations and maintenance plan for sanitary sewer is completed pursuant to an agreement executed in 1996. Such a program should incorporate the utility's recently acquired computer to create a master database of all utility components requiring periodic maintenance. The database should contain the type, location and dates of maintenance activity. A schedule should be developed with computer generated checklists used as documentation that the work was completed and logged into the automated system.

UTILITY BILLING

The city has a manual system of reading water meters. One individual performs this task and readings are entered into a field book. The meter reader reports data from approximately 6,000 water meters per quarter. It is not uncommon for this person to often be delayed in rapidly reading meters by the need to gain access to the interior of many of the city's older homes.

After reading the water meter, the field book utilized for this purpose is returned to the utility's administrative office where the clerical staff copies the field entries into a duplicate copy. The book is then forwarded to the central collections office where the data is entered into a computer for billing purposes. The water meters are read and customers are billed quarterly, based upon their consumption. Billing for sewer service is primarily done on a flat fee basis. The billing for both water and sewer done on a quarterly basis is sent out monthly, as is common, to evenly distribute the workload and generate a relatively even cash flow.

The water department is studying the feasibility of installing digital water meters for the entire city. The labor and time savings for this system should be significant. Presently, the sewer and water utilities employ four clerical personnel. A digital meter reading system would eliminate the need to manually enter meter readings into a duplicate set of books and reduce the manual entries required for billing which will generate significant labor savings.

Recommendations:

The team recommends the city study the installation of a digital meter reading system. Presently, the utility staff is investigating the feasibility of such a system for the city. The team also recommends that sewer-billing switch from the present quarterly flat fee to a rate structure based upon water consumption. This system would distribute the sewer costs more equitably among users and encourage residential users to be more cost and conservation conscious regarding the city's water resources.

The team estimates that the cumulative effect of clerical labor savings through a fully automated meter reading and billing system would reduce the total staffing hours expended by utility personnel by at least four hours per day. Other efficiencies would be gained through faster retrieval of information in daily operations, and the ability to increase the number of read meters significantly. These savings, coupled with the administrative savings through the integration of the utilities as a division of public works, would allow the utilities to reduce their clerical staff by one full-time employee. The savings represented here must be weighed with the long-term cost of acquisition and installation of the digital metering system. The team has not quantified the cost of this system as the project is in the investigative stage by the city, and beyond the scope of this review, although it could be substantial.

Cost Savings: Approximately \$20,000 in salary and benefits

An option to meter reading to be considered comes from the realization that other utilities i.e. electric and natural gas also utilize meter reading. The city could investigate the feasibility of contracting with a utility to read its meters at the same time the utility is reading its meters.

An additional option to installing the complete electronically read water meters would be to manually input the data into the field computer that would be downloaded upon the meter readers return to the office. This arrangement would improve the current system by eliminating the manual paper entries. However, it would not solve the problem of gaining access to homes while people are at work.

FINANCIAL

The city has experienced steadily declining water and sewer collections for the last three fiscal years. In 1995, the city collected \$4,034,811 from a total levy of \$4,071,922. In 1997, the city collected only \$3,423,518 out of a levy of \$3,945,328. This represents a decline in collections from 99 percent to 87 percent.

To compensate for these shortfalls in revenue, the city has been significantly reducing its ending fund balance over the same period, having utilized large amounts of surplus to cover operating costs in the succeeding fiscal years. The table below illustrates the use of the fund balance in succeeding year's budget for utilities:

Fiscal Year	Ending Fund Balance	Amount Utilized in Succeeding Budget
1995	\$1,439,079	\$620,000
1996	\$993,883	\$714,632
1997	\$622,714	\$600,000

The team conducted a review of direct and indirect costs of providing water and sewer service. Using revenue reports issued by the collections office, the team compared operating costs against the revenue earned by these respective services for 1997:

Utility	Salary and Other Expenses	Utility Revenues	Surplus (+) or Deficit (-)
Water	\$788,184	\$1,245,468	\$+457,284
Sewer	\$3,292,253	\$2,387,990	\$(-904,263)
Total	\$4,080,437	\$3,633,458	\$(-446,979)

Using the above figures, the utility had an operating shortfall of \$446,978 in utility revenues in 1997. In addition to the expense of operating the utility, \$225,000 was transferred as an administrative charge from the utility to the city's general operations. This practice, while a benefit to the taxpayer, produces a corresponding reduction in operating capital for the utility. During times of decreasing collections, this has a serious negative impact upon the resources of the utility. Other costs include capital outlays of \$130,005 and debt service of \$19,954.

The revenue shortfall for sewer services was compensated by the excess revenues generated by water fees, miscellaneous revenue from investments, tapping fees and utilization of a significant portion of the 1996 utility fund balance as revenue in 1997. Without significant increases in fees, the fund balance will be depleted and an overall operating deficit will occur.

The team examined the city's rate ordinances to determine if there were any distortions in the rate schedule indicating one classification of rate payer was subsidizing the costs of another. Presently, large industrial users pay only 75 percent of the Cumberland County's Municipal Utility Authority (CCMUA) charges to process their sewage. A sewer rate study, commissioned by the city, included a proposal for significant industrial users to pay 100 percent of the CCMUA charges. Although this charge ends the subsidy provided by other rate payers to significant industrial users for CCMUA charges, the city's costs of maintaining and improving the municipal collection system would still not be paid for by this classification of customer.

Recommendation:

The team developed a course of action to ensure that revenues cover utility operating costs. To bring the operating revenue in line with expenses, the team recommends the elimination of administrative charges transferring funds from the utility to the city's general fund. This action will direct an additional \$225,000 in revenue to cover the sewer utility's operating expenses. Council is cautioned, however, that this action will impact negatively upon the municipal budget by a like amount. This amount still does not address a \$221,978 revenue shortfall. To eliminate this shortfall, the city must adjust its sewer rates to address the discrepancy between revenues paid and the cost of providing service.

**Revenue Enhancement: \$225,000
(Due to Lack of Available Surplus)**

**Revenue Reduction to City: \$225,000
(Due to Lack of Surplus Payment)**

The city should pay particular attention to the fees charged to the significant industrial users. The sewer rate study commissioned by the city proposed a special rate for corrections users of 100 percent of CCMUA charges plus one percent, which the teams feels is too low, for system maintenance and administrative costs. This fee structure was adopted in 1997. If this same rate schedule were applied to the industrial users utilizing flow meters or water consumption if applicable, an additional \$380,603 in revenues to cover the CCMUA costs of treating this flow and \$15,224 for the costs of servicing and maintaining the municipal collection system, would be generated.

The city should also review its flat rate sewer charges. Sewer use among residential users can vary widely depending upon the size of the household. Sewer flows generally correspond to water usage. Under a system of consumption-based charges, costs of service would be distributed more equitably than a flat rate system.

Revenue Enhancement: \$395,827

COLLECTIONS

The team reviewed the collection rate for the previous five years. The city has experienced a steady decrease in collection rates and overall revenues since 1994. The lower collection rate contributes to a considerable portion of the shortfall in revenues. Continued deterioration in the collection of revenue will exacerbate the shortfalls associated with the distortions in the rate schedules. The table below illustrates the collection history since 1993:

Fiscal Year	Levy	Collections	Percentage of Collection
1993	\$3,630,613	\$3,299,496	91%
1994	\$3,868,704	\$3,955,604	102%
1995	\$4,071,922	\$4,034,811	99%
1996	\$4,022,494	\$3,718,045	92%
1997	\$3,945,328	\$3,423,518	87%

Present policy stipulates termination of service 12 months from the date when quarterly sewer charges are due. A discussion with city staff indicates that this option is rarely exercised by the city.

Recommendation:

The city should aggressively seek to reduce delinquencies by adopting termination notice policies similar to those of the private sector. A six-month termination notice will be more effective than a 12-month policy in creating a sense of urgency among delinquent customers to pay their bills. A three-month policy would be even more effective. The city council may issue an order to show cause for disconnection of service after six months or even 90 days. If the city could increase collections to 95% (the state average) from the 87% experienced in 1997, this would result in an enhancement in revenue of \$324,542 for the utility.

**Revenue Enhancement: \$324,542
(To Utilities)**

FINANCE

OVERVIEW

The city receives approximately 13.9 million dollars in total revenues for municipal purposes. Of this amount, 5.8 million dollars is in the form of state aid for the municipality. Due to its economically distressed position, the city receives a variety of state and federal grants, in addition to having the status of an Urban Enterprise Zone. Property taxes in support of local purposes amounted to \$3,990,747 in 1997.

The city's base of ratable property has been stagnant in recent years. The assessed value of the taxable ratable base amounted to \$358,910,524 in 1994 and, after a series of minor fluctuations, totaled \$361,743,924 in 1997, a difference of \$2,833,400 over the three year period. The city is almost completely developed, so there is little opportunity for raising additional revenues from any major expansion of the city's ratable base through new construction, short of a merger with an adjoining community(s), which is referred to in the economic development section of this report as well.

Historically, the city has utilized significant portions of surplus from the ending fund balances as a major revenue source for succeeding years. This practice has resulted in a steady depletion of the city's ending fund balance, decreasing from \$1,287,624 in 1993 to \$502,857 in 1997. Correspondingly, the amount of ending fund balance to be utilized as revenue in succeeding year's budget declined from \$930,000 in 1994 to \$269,000 in 1997. This reduction equates to approximately eighteen cents of local purpose taxes based upon the FY 1998 rate. The option of the city to utilize surplus as revenue "shock absorber" is fast diminishing, if present trends continue.

Another source of revenues in the form of transfer payments from the water and sewer utility surplus is declining. The ending fund balance of the utility has been reduced from \$1,439,079 in 1995 to \$622,714 in 1997. In 1997, the utilities transferred \$225,000 to the city for general operations. This amount will decrease or disappear entirely if the utilities do not address their own revenue shortfalls as referred to in the water and sewer section.

Recommendation:

The challenge for the city is clear. Since prospects for creating additional revenue through ratable growth are limited, the city must strive to reduce expenditures, and become more cost effective through more efficient management of its operations. It is hoped the recommendations contained in this report will result in sufficient savings to allow the city to be less reliant on proceeds from the surplus to fund succeeding years' budgets.

To achieve a more advantageous financial position, the team recommends the city consider the sale of the sewer and water utility. The statement of fixed capital in the 1997 audit amounted to \$8,033,028 for both utilities. Using this as an estimate of a potential sales price, the city would realize \$7,271,459 in net sale proceeds after retiring the outstanding utility debt of \$761,569. The infusion of this magnitude of revenue into the city would allow the city to reduce its long term fixed costs through retirement of outstanding debt. In FY 1997, the issued bonds and notes of the city amounted to \$6,955,310. The scheduled debt service for principle and interest for 1998 was \$609,012.75. The elimination of this major cost item represents an estimated 16 cents on the municipal tax rate of \$1.12. In addition to the benefits of reducing debt service, the ending fund balance of the utility would revert to the city as revenue. The money remaining from the sale proceeds and the utility fund balance may be used to replenish the surplus or pay for needed capital upgrades to the city.

The decision to sell all or a portion of the water and sewer utility is a difficult one. The city must weigh the advantages of an improved cash position and long term savings against relinquishing public control over a vital service to the community. Rates for residents would no longer be under local control and would instead be regulated by the New Jersey Board of Public Utilities. Negotiations for the sale of such a public asset are extremely complex. Pricing methods for utilities vary widely, encompassing the value of fixed assets to formulas predicting future profitability. Other issues include the status of present employees and responsibility for capital upgrades to the infrastructure. The city should carefully study the costs and benefits of this recommendation to the residents of the city before making any decision. In this regard the city could engage the services of a consultant to present options to the city and its residents.

One-time Revenue Enhancement: \$7,271,459

Cost Savings: Approximately \$600,000 for the first year and remaining debt service payments of the current outstanding notes.

**Cost Savings: \$600,000
(On-going)**

Note: Due to the substantial size of this recommendation and the fact that it will skew the overall result, we will not include this amount in the executive summary and executive spreadsheet, except as a notation.

CASH MANAGEMENT

The city maintains all its cash balances with one bank, although the resolution naming official depositories of the city lists four banks. This bank presently holds 19 city accounts. The agreement between the city and the bank stipulates an interest rate of the Treasury Bill rate minus one quarter of one percent. The current fund, the all-purpose account, used by the city for its daily operations, has \$40,000 deducted from the collected balance before the interest rate is applied. Pursuant to the agreement with the bank, the city pays no service fees and receives unlimited free checking through the compensating balance requirement of \$40,000.

The city receives a competitive interest rate from the bank. The team compared the city's financial return from its depositor with the rate of return from equivalent investment instruments. Using documents obtained from the bank, the team generated interest earnings scenarios with the city's account balances averaging \$3.2 million in 1997, being held in U.S. Treasury Bills and the

New Jersey Cash Management Fund. Below is a table illustrating the year's interest income from the rates of return on the city's 12 average monthly balances for calendar year 1997:

Depository	Interest Earnings	Average 1997 Int. Rate
Principal Depository	\$158,205	*4.90%
NJ Cash Management Fund	\$172,739	5.36%
Treasury Bills	\$167,899	5.21%

*True interest rate after adjustment for deductions from average current balance.

The increased revenues from the NJ Cash Management Fund and Treasury Rate as compared to the bank earnings amounted to \$14,534 and \$9,639 respectively. Since the liquidity needs of the city dictate that the city cannot invest all of its cash holdings into the NJ Cash Management Fund or Treasury Bills, the city is receiving a very advantageous rate of return in consideration of the free banking services received.

The city receives monthly statements for each account. The statements detail the daily balance of each account and the interest earned. The statement shows, in summarized form, the interest earnings for the month but they do not detail the average monthly balance. Additionally, the bank does not provide a summary of combined totals for all of the city's cash holdings. From an analytical approach, the present system of financial reporting does not provide the city with a useful management tool for identifying long term trends in the city's transaction history of its operating and trust accounts.

The cash management plan reviewed by the team was in compliance with N.J.S.A. 40A:5-14. The city issues a Request for Proposal (RFP) for banking services on an annual basis to banks listed as official depositories.

Recommendation:

The city should require in the next banking RFP that their prospective vendor issue statements that present a more summarized analysis of the account balances and all interest earnings. This overview of the cash holdings of the city not only gives the city better analytical tools in evaluating its cash position, but also allows the city to benchmark their earnings in a consolidated fashion against proposals from other banks.

ORGANIZATION

The comptroller is the city's statutory chief financial officer (CFO) and supervisor of the accounts and comptroller's office. In addition to the CFO, there are two account clerk typists and a senior payroll clerk assigned to the office. The office is located in the basement of the city hall annex. The office processes bills for payment, maintains the cash balances necessary to fund the city's operations, and processes data for payroll checks. The department is equipped with computers and a municipal finance software system is in place. The CFO is very familiar with the system and was adept at providing the team with information in a timely and effective manner.

In addition to the CFO, the city maintains the part-time position of treasurer. It was represented to the team that the treasurer's functions include payroll reconciliation and preparation of the quarterly tax reports. Although this is a part time position, the treasurer participates in the health benefits reimbursement program for the city, in the form of a payment in lieu of benefits. The salary of this position is \$6,075.

Recommendation:

The team recommends that the position of treasurer be eliminated and its functions be merged with the comptroller's staff. Municipalities of this size typically merge these functions into a single position. The team can find no reasonable justification for this position and believes that the office's present staff can

easily absorb these duties. The absorption of the aforementioned functions would in no way inhibit the efficient functioning of the finance office. The salary savings will amount to \$6,075, which is quantified here. The cost of the in lieu of health benefits payment amounting to \$2,895 is included in the insurance section of this report. The total savings equate to \$8,970.

**Cost Savings: \$6,075
(Salary Only)**

PURCHASING

The city's purchasing system is decentralized with requisitions for supplies and services prepared by each department. The requisition is approved by the business administrator and is certified by the chief financial officer that sufficient funds are available for the purchase. Once the requisition is approved, the department prepares the purchase order for transmittal to the vendor.

The city purchases several bulk commodities through the county purchasing cooperative. Gasoline for the city is purchased through the county by means of an automated card system in which city vehicles refuel at county facilities. In FY 1997, the city paid 71.5 cents per gallon for gasoline. At the time of the review, city officials indicated that the county was investigating the possibilities of the retail wheeling of other energy resources in the form of natural gas and electricity. The cost savings should be significant for the energy intensive city facilities and municipal utilities. The city is commended for this cooperative venture with the county.

The team examined expenditure records and found several areas where centralized purchasing may be cost beneficial by creating economies of scale not attainable by individual city departments. The foremost of these areas is telecommunications. In 1997, the city spent \$138,998 for telephone service, pagers and mobile telephones. These funds were expended by seven different departments and divisions and paid out to ten separate vendors. The prices varied widely among the different departments. The team also noted that individual departments purchase bulk items such as office supplies, maintenance services and computer equipment that are purchased by the departments on an individual basis.

The team reviewed telephone records for any signs of personal use of telephones. The team found little evidence for any excessive amount of personal long-distance calls on a wide scale basis throughout the city.

Recommendation:

The city should survey its purchasing needs and determine whether it is appropriate to equip a wide range of employees with pagers and cellular telephones. All anticipated telecommunications services, office supplies and computer equipment should be consolidated into standardized specification packages. The city should solicit informal quotations to determine if cost savings from the economy of scale are sufficient to warrant a formal bid.

TAX ASSESSMENT

ASSESSMENTS

The city contracted for a revaluation in 1992, which went into effect in 1993. The current equalized ratio is 97.26%, which is a particularly good ratio. The total assessed property in Bridgeton during calendar year 1998 is \$363,420,057 and the 1997 assessed value was \$361,743,924. The FY 1997 local purpose tax was \$1.12 and the general tax rate was \$3.17. There are 6,773 line items on the books for the city. Of those 6,773 tax line items, 935 are tax exempt. Nearly 71% of the tax base is residential, 28% is commercial/industrial, 1% is vacant land and significantly less than 1% is farm. Approximately 45% of all housing units in the city are rental units.

STAFFING

A full-time assessor, who has been employed by the city since 1970 and became tax assessor in 1981, heads the office. There is also a full-time clerk-typist who answers telephones, processes deeds, assists the public and handles correspondence. The assessor is generally in the office in the mornings to assist the public and complete office work and goes into the field in the afternoon to perform inspections and to do spot checks for construction that may not have been reported, although the field work schedule is adjusted based on the need of the taxpayer. Total salary and wages, for the office, during FY 1997 were \$51,081 and other expenses were \$33,261. Included in the other expenses was \$29,500 for the computer system rental, office supplies and the assistance of a professional appraisal firm that assists with tax appeals and assessing large properties. The assessor noted that the services of the firm are needed because there is no tax assessor assistant in the office.

The assessor noted that she “reports” to the county board of taxation and not to the city governing body and that city officials have little interaction with her office unless they are attempting to resolve an issue.

The assessor also noted that she is not routinely given copies of PILOTS or informed if there have been agreements between the governing body and property owners regarding potential tax abatements.

Recommendation:

Existing state regulations provide for considerable autonomy for the tax assessor. Given the dichotomy between the autonomy of the assessor, in regard to assessing matters, and the financial responsibility of the assessor to the city, it is recommended the business administrator, council and the assessor meet on a regularly scheduled basis for the purpose of reviewing the assessed valuation of the city and the status of the major, pending appeals and applications for abatements that could have an impact on the budget and/or tax rate. The assessor should provide a formal report monthly to the business administrator and the governing body, including, but not limited to, the same information that is compiled annually for the assessor’s certification sheet and activities accomplished during the month. Any additional information requested by the governing body should be included as well. It is further noted that the primary responsibility for determining if any construction took place without permits rests with the construction official, not the tax assessor.

The team compared the staffing compliment to the staffing guidelines published by the International Association of Assessing Officers. Those guidelines indicate that it should take an assessor 35 hours per week and “other” staff 30-35 hours per week to perform responsibilities associated with a total of 6,773 line items in the municipality.

Accordingly, it appears that the staffing compliment is appropriate without the part time services of the consultant, and the team feels that expenditure is unnecessary unless some extraordinary circumstance arises.

Cost Savings: \$1,750

APPEALS

There were 25 tax appeals filed resulting from the 1992 revaluation. For 1998, the city has received 71 tax appeals, 59 from one realtor. The assessor indicated that she attempts to gather all relevant information in order to review a property’s assessment prior to the county board hearing.

ABATEMENTS/EXEMPTIONS

According to the assessor’s certification sheet, approximately 24.3% of the net taxable valuation, or \$114,585,600 of the total \$470,369,880, is classified as exempt. In addition, \$3,944,420 in property is abated during 1998. *NOTE: South Woods Prison is not included in property value as of the date of this review.* The breakdown is as follows:

TOTAL Valuation	\$470,369,880
Exempt Property	
Public Schools	\$22,749,100
Other Schools	\$1,117,300
Public Property	\$47,684,000
Church & Charitable	\$33,888,800
Cemetery & Graveyards	\$762,800
Other Exemptions	\$8,383,600
Total Exemptions	\$ 114,585,600
Dwelling Abatement	\$1,357,200
Comm./Industrial Abatements	\$2,587,220
Total Abatements	\$3,944,420
Total 1998 Taxable	\$351,839,860

Public property constitutes 42% of the exempt assessed value. The assessor's office was unable to break down the amounts and percentages by public property type but was able to produce separate tax lists by owner. Based on that information, it appears approximately 14% of that property can be accounted for because of the county facilities. Thirty-six percent, or \$16,020,200, constituting 676 line items, is city owned property and an additional \$1,108,600 or 2% is owned by the municipal port authority. Based on the 1998 tax exemption list, approximately \$454,800 in assessed property is owned by the state. However, that number is misleading because the prison is currently assessed at just the land value of \$317,200. The assessor is intending to request the Division of Taxation perform the assessment of the prison property in the near future. The remainder of the public property is owned by non-profits holding the titles to foreclosed properties and two post offices. Other exempt property includes veteran's residences, Masonic temples, and the Amity Heights apartment complex, which is discussed below:

County Property	
Drainage	\$700
Courthouse Building	\$1,267,300
4 Parking Lots	\$99,300
Utilities Authority	\$22,800
11 parcels vacant land	\$ 67,000
Health Department	\$1,189,100
Weights and Measures	\$ 72,800
Disposal Plant	\$4,910,100
Riparian	\$ 2,000
Storage	\$379,400
Prosecutors Office	\$236,600
Courthouse & Jail	\$7,550,300
Historic Site	\$ 45,800
2 Right of Ways	\$ 2,700
Total Assessed County Property	\$15,845,900
State Property	
Building Authority	\$ 108,800
Prison	\$317,200
NJHA-5 playgrounds	\$12,700
NJEDA - vacant land	\$ 28,800
Total Assessed State Property	\$ 467,500

As discussed under the recreation portion of this report, approximately 12% of the total city acreage is park and recreation land.

Recommendation:

As discussed under the recreation portion of this report, it is recommended the city consider the impact on the tax rate prior to purchasing any additional property for park use.

PILOTS

According to the chief financial officer, during FY 1997, the city received \$162,366 for Payments in Lieu of Taxes (PILOTS). The funds were from the owners of the Amity Heights property (\$131,706), the Bridgeton Housing Authority (\$26,994) and a group house (\$3,666). The county, which owns approximately \$15,845,900 of assessed property, does not pay a PILOT, however, the county does contribute \$20,000 to the operation of the zoo.

The Amity Heights property is a 199 unit apartment complex assessed at \$7,232,000. The property appears on the 1998 Exempt Property List but the team was not able to obtain the information regarding the reason for the exempt status from any of the municipal staff, including the assessor.

Staff was able to provide the team with an agreement, dated December 7, 1971, but was unable to locate a copy of a more recent agreement, which was signed in 1988. This document should have been on file with the city.

The team ultimately obtained a copy of the new agreement from the attorney who the city contracted with to handle the negotiations in 1988. According to the new agreement, the property owner is to pay 6.28% of the annual gross shelter rents for the period of the mortgage and all water and sewer utility costs. The team contacted staff of the NJ Housing and Mortgage Finance Agency (HMFA), which is the holder of the property mortgage. HMFA staff confirmed that because the mortgage is "Section 8", the PILOT can be no greater than 6.28%. This amount is about one half of the original agreement and provides no payment to the schools or the county. The mortgage, which holds an interest rate of 10.9766% is due to be paid in full in November of 2013.

The first agreement (1971) set as a condition that the owner file an audit of its books with the tax assessor no later than March 1st annually. The second agreement requires the owners to file, annually, a certified, financial statement of the operation of the project. The city was to then bill the owner the amount due. The team conferred with many offices throughout the city including the city clerk's, business administrator's, comptroller's, mayor's, assessor's and collector's to determine if the audits had been received and no copies of the reports or statements were found.

Recommendations:

The city is unable to confirm that the amount being forwarded from the owner for the PILOT is appropriate without having the audits or statements available. Further, the agreement is contingent on the city receiving those audits each year. It is strongly recommended the city obtain copies of all missing audits and statements to confirm the amount received for the PILOT was appropriate. If any differences between what was paid and should have been paid are noted, the city, by presenting its concerns to the NJHMFA in writing, should attempt to collect or refund those funds immediately. The 1988 agreement provides that the municipality may apply to the superior court, chancery division, for an accounting of the service charge due the city, if the municipality disputes the amount received. That application must be made within one year of receipt of the audit.

Statute requires that the city clerk is the depository of all public documents. City staff should endeavor to ensure that all appropriate documents are provided to the clerk and maintained by that office.

In addition, the 1971 agreement called for the company to assume management and control of the Southeast Bridgeton Recreation Area, if and when the city shall determine that it would best serve the interest of the city. During FY 1997, there was one full-time staff member assigned to the Southeast Recreation Area for a position value of \$37,203, plus there were additional costs for maintenance of the property.

The city should abide by that agreement and turn the responsibility for the Southeast Bridgeton Recreation Area over to the owner of the property.

Cost Savings: \$37,203

In addition to the PILOT, the property owner provides funds to the city to offset the cost of a police substation located within the fenced parameters of the complex. There are two full-time community police officers assigned to the Amity Heights substation. The FY 1998 budget has an appropriations line item under public and private programs offset by revenues called Amity Heights Agreement, Division of Police. The line item indicates that \$80,489 was charged against salary and wages. However, the position values for the two full-time police officers totaled \$94,548. City vehicles and additional operating costs are incurred by the city as well.

Recommendation:

The city is subsidizing the cost of the police substation. It is recommended the agreement with the owners be such that it cover all of the city's cost of operating the police substation at this facility.

Revenue Enhancement: \$14,059

TAX COLLECTIONS

STAFFING

During FY 1997, five full-time employees staffed the tax collection office. The former collector, who was with the city since January, 1965, retired and a clerk was promoted to take the collector position. The vacated clerical position was not filled. Therefore, the office is now operating with one less clerical support position than it had been during FY 1997 for total staff positions of four. There are also two additional clerical support personnel physically working in the collection office but because they concentrate their efforts on the collection of water and sewer bills, their costs are charged against water and sewer. The tax collector is responsible for supervising those two staff as well as those assigned directly to tax collection efforts.

The city has 6,773 tax lines. An efficient workload ratio identified in previous LGBR reports is between 3,000 to 3,300 tax lines per staff person. The ratio for the city, based on four staff positions, is 1,693, well below either standard. In part, the high staff ratio can be attributed to the manual processes still being used in the office. Staff is currently working with the same vendor that provides computer services to the assessor's office. In addition to tax and utility collections, the office serves as the central cashier for the city. With the exception of the municipal court, all money due the municipality is collected and deposited by staff of the collectors' office. The collector has recently begun tracking daily deposits utilizing commonly available software on her personal computer. Previously, the daily collections were tracked through a manual ledger.

In addition to counter service for walk in traffic, the collections office has a drive up window for taxpayers to drop payments off during regular business hours and the office remains open during lunch hour. There is no lock box available for taxpayers to drop off payments during non-business hours but, according to the collector, there have been no concerns raised over the hours when payments could be delivered.

COLLECTIONS

Payments are due February and May, August and November. The tax bills are mailed in July, after the city receives the certified tax rate from the county board of taxation, and in January. The city currently does not have the capability of generating its own tax bills in house; therefore, the vendor provides the tax bills for a fee.

The collection rate for FY 1997 was 90.40%. As the following comparison indicates, the percentage of collections has fluctuated during the last five fiscal years between 85.19 % in FY 1994 to 91.15% in FY 1995.

Comparison of tax levies and collections:

Year	Tax Levy \$	Collections \$	Collection %
FY 1997	\$11,835,172.54	\$10,699,028.00	90.40%
FY 1996	\$11,906,087.32	\$10,683,988.85	89.73%
FY 1995	\$11,514,401.24	\$10,495,907.15	91.15%
FY 1994	\$11,102,046.52	\$ 9,459,229.77	85.19%
FY 1993	\$9,924,704.49	\$8,536,928.77	86.01%

As noted in previous LGBR reports, the State of New Jersey recognizes an average/acceptable current tax collection rate as 95%. The city's FY 1997 collection rate of 90.40% is below that acceptable benchmark. Every one-percent of collection rate is equal to \$118,352. It should be noted that because of the low rate of collections, property taxes, in subsequent years, must be raised to compensate for the shortfall. This is reflected by the necessity of establishing a higher "reserve for uncollected taxes" during the budget process.

Recommendation:

The city should endeavor to increase tax collections to the acceptable level of 95%. The additional 4.60% in collections would net the city \$544,418, based on the FY 1997 tax rate and collections. Increase collections can be accomplished in a variety of ways including but not limited to aggressive and timely written notices with follow-up personal contacts.

Revenue Enhancement: \$544,418

The percentage of delinquent taxes of the total tax levy for 1996 and 1997 was 15.06% and 15.60% respectively. Except for a large dip downward in FY 1995, the delinquency rate as a percentage of tax levy has steadily decreased since FY 1993. The tax collection office sends delinquent notices three times during the fiscal year. The notices are not part of the normal processing but are based on the discretion of the collector as to when they should be generated.

Yr.	Liens \$	Delinq. Taxes	Total Delinq.	% Tax Levy	# Liens
1997	\$790,032.32	\$ 991,844.60	\$1,781,876.92	15.06%	124
1996	\$744,531.86	\$1,113,097.12	\$1,857,628.98	15.60%	134
1995	\$527,687.89	\$958,577.22	\$1,486,265.11	12.90%	112
1994	\$735,589.69	\$1,468,773.65	\$2,204,363.34	19.86%	137
1993	\$966,228.68	\$1,199,999.11	\$2,166,227.79	21.82%	207

LIEN PROCESSING

The city hosts tax sales once a year, usually in April or May. As of March, 1998, the city held 91 liens. Twenty-two liens worth \$247,580 have been held by the city since 1990. The value of the

liens older than two years is \$433,212. Determinations as to which properties to foreclose on appear to be left to the legal department.

It should be pointed out that the failure of any municipality to properly address the area of tax sales, liens and foreclosures results in the city having to increase its "Reserve for Uncollected Taxes." State statutes require that the municipality must pay 100% of billed taxes to the schools and the county regardless of whether the taxes are collected or not. Therefore, any shortfall in collections is subsidized by the local purpose (city) share of property taxes and is provided for in the aforementioned "Reserve for Uncollected Taxes."

Recommendation:

We suggest that the city establish written internal procedures to ensure properties are foreclosed on promptly and are sold in fast order. Action regarding the disposition of these properties should be taken immediately, as they represent significant potential revenue from the sale. Even if the properties that the city has held a lien on for greater than two years were sold for the amount of the lien, the city still stands to gain, at a minimum of \$433,212, and the properties would be back on the tax books.

Revenue Enhancement: \$433,212

SOLID WASTE UTILITY

ORGANIZATION

The city presently contracts with a vendor for the removal of solid waste from residential areas. The contractor picks up household waste, bulky waste and recycling once a week.

The generally accepted standard for recycling pickup is biweekly. Weekly recycling pickup studies have shown that, on average, only 30% of the recycling container is utilized. Contracting for bi-weekly recycling collection would halve the cost to the municipality and provide the statewide standard level of services in this area.

The city is divided into five geographic zones corresponding to the day of pickup. Businesses and large apartment complexes do not receive trash removal and must contract for these services privately. The solid waste function is designated as separate utility fund and revenue for its operations is provided from quarterly billings to residents and, therefore, has no direct impact upon the local purpose tax rate.

The city charged the solid waste utility \$41,175 in 1997 for the salaries of city employees involved in the administration of this function. A parking enforcement officer is the point of contact to resolve any problems between residents and the contractor. He is assigned to public works and spends approximately 20 percent of his time on this function. A clerk in the collections office is responsible for the billing. Oversight of the solid waste contract is the responsibility of the public works superintendent.

CONTRACT

The term of the agreement is five years. The contract was executed shortly before the deregulation of municipal solid waste disposal streams in the state. Consequently, provisions in the agreement are reflective of the strict regulatory environment that stipulated county control over the solid waste stream in effect at that time.

The team has concerns over the bid specifications for the solid waste collection contract. The bid specifications established the total number of homes to receive collection service to be 5,700. The team reviewed the number of residences being billed and found that 5,254 trash units were actually billed. This figure represents a variation of approximately, 446 or eight percent of the contract. Given that the present year's contract is \$1,116,492, this discrepancy amounts to approximately \$89,319 in the current year charged to the city for solid waste removal without a corresponding revenue source in billing line items.

The city began to contract for residential solid waste collection in 1991. Previously, residents were required to individually contract with a vendor for this service. Discussions with collections staff indicate that the original contract specifications for solid waste (1991) was based on sewer line accounts. These original specifications estimated the total number of trash units at 5,700. Several hundred bills were erroneously sent to nonresidential properties resulting in confusion and the cancellation of many of the billings. Eventually the numbers of units were reduced to its present number of 5,254.

In 1996, in anticipation of the city going to bid for a new contract, specifications were prepared without the corrections being made to the number of residential collections. The city subsequently awarded a five-year contract expiring in the year 2001. Using the eight percent variance in the trash units, this very serious error will cost the city and, therefore, the ratepayers approximately \$458,040 over the course of the five year contract.

The terms of the contract stipulate that the city pay the contractor a lump sum figure based on the estimate of 5,700. Had the city created a bid specification for unit pricing based upon billed units rather than a lump sum, the shortfall between the payments to the contractor and the revenue generated would have been corrected.

The team also compared the city's charges for solid waste collection services with regional communities. The team found that the \$60 per quarter charge for city residents was somewhat high in light of an economy of scale offered by a contract of this magnitude. A survey of a regional contractor's residential collection charges indicates residents can individually contract these services for \$42.50 per quarter. If the city were to achieve this unit price, annual savings would amount to \$70 per residence for total savings of \$367,780 for the 5,254 dwellings currently billed. This analysis further emphasizes the seriousness of the error in accurately representing the number of residential pick-ups.

Recommendation:

The team recommends the city conduct a physical audit of its housing units to verify the number households and to determine whether there are any households that are receiving free refuse collection services. The city should reconcile the addresses of the billed addresses with residences actually receiving curbside solid waste collection.

Should the city determine that the number of solid waste line items is correct and concludes the number of households in the specifications was overstated as all indicators currently reflect, the city should approach the contractor to negotiate a reduction in the contract price to account for the material error. The contract does not have a termination clause; however, the windfall for the contractor at public expense should be sufficient legal grounds to achieve some degree of relief from this expense. Should the city be successful in this endeavor a cost savings of \$89,319 per year is potentially available.

Future contract specifications should be bid on unit pricing, with the amount paid to the contractor based upon revenue generated from the line items. This method would more adequately bring the payments to the contractor in line with available revenue. Unit pricing of the solid waste contract would significantly reduce the possibility of households receiving free collection service or payment for collections not performed by the

contractor. Such a system would provide an incentive for the contractor to insure that households collected on the daily route correspond to the billing line items.

Cost Savings: \$89,319

SOLID WASTE DEREGULATION

The city's contract was awarded prior to the litigation that began the deregulation of solid waste flows in the State of New Jersey. The new rules governing solid waste disposal allow contractors to transport solid waste to cheaper landfills both in and outside the state. The present contract stipulates that the city's solid waste is to be transported to the landfill operated by the Cumberland County Improvement Authority. Presently, the tipping fee, alone, charged by the CCIA is \$60.42 per ton of household waste. Since deregulation, tipping fees statewide have fallen from an average of \$87.73 per ton to \$60.23 during the period November 11, 1997 to June 9, 1998. Some landfills in the state have reduced their tipping fees to as low as \$48 a ton. The Local Government Budget Review team's study of out of state landfills servicing southern New Jersey indicates a cost of \$53 per ton for transportation and tipping fees.

The specifications place the average amount of household waste at 1.2 tons per dwelling. This means that the 5,254 households generate 6,304 tons of household waste. Using these figures, it costs the city \$380,887 in tipping fees for the disposal of solid waste at the Cumberland County facility at the rate of \$60.42 per ton. If the city were to be able to landfill its household waste out of state at a cost of \$53, including transportation, the total charge for disposal would be \$334,112. If on the other hand it could obtain a total rate of approximately \$48, or better, per ton, the fee would be \$302,592. For purposes of this report we will calculate savings at the rate of \$48 per ton.

The contract stipulates that the solid waste be transported to the county facility for disposal, however, this is only the agreement between the contractor and the city and is therefore subject to negotiation. City officials indicated to the team that there are no agreements in force between the county and the city requiring residential waste to be deposited in the landfill. The team's review of the contracts found a provision allowing reductions or increases in the contract price based upon variations in tipping fees.

Recommendation:

The city should seek to capture some of the cost savings generated by the deregulation in the solid waste industry. The city should negotiate with the contractor to arrive at a mutually beneficial arrangement whereby lower cost landfill alternatives bring about an overall lower contract price. The city may desire to reduce the term of future contracts in order to better achieve savings in the fast changing dynamics of this new market. In the implementation of this recommendation the city should ensure that any such activities conform to the requirements of the Solid Waste Management Plan for Cumberland County.

Cost Savings: \$78,295

FINANCIAL

The solid waste function is a separate utility fund, deriving its revenue from customer billing rather than through general revenues from the local purpose tax. Residents receive quarterly bills with a charge of \$60. The solid waste utility collection rate is summarized as follows:

Fiscal Year	Levy	Collections	Percent
1993	\$1,231,368	\$1,089,632	88.49%
1994	\$1,216,862	\$1,077,889	88.58%
1995	\$1,208,480	\$1,370,333	113.39%
1996	\$1,215,912	\$1,172,851	96.46%
1997	\$1,219,198	\$1,139,529	93.47%

The level of collections has fluctuated, yet the amount of surplus at the end of the fiscal year rose from \$115,662 in 1993 to \$453,578 in 1996. In 1997, the fund balance was reduced to \$406,990. An explanation of this reduction

appears to be greater use of surplus as a revenue item. The amount of surplus utilized in subsequent years' budget has increased steadily, rising from \$56,361 in 1993 to \$256,448 in 1997. The utility also received miscellaneous revenues of \$67,430 in investment income and interest on delinquent accounts in 1997.

Recommendation:

Over the past five years, the rapid growth of the surplus in relation to the stable levy may indicate that the fee for solid waste collection is too high. After reconciling the discrepancies of dwelling units between the contract document and the billing list, the city should examine its fee schedule to determine if a fee reduction is appropriate. Notwithstanding this, the city should endeavor to attain a stable collection rate of at least the state average of 95%. This would result in an increase in collections of \$18,709, based upon the 1997 collections only.

Revenue Enhancement: \$18,709

ENGINEERING SERVICES

ORGANIZATION/STAFFING

The city presently contracts with a private consulting firm for most engineering work and retains a full-time city employee as a principal engineering aide. A member of the consulting engineering firm is appointed as the statutory municipal engineer. The firm provides a wide variety of services including engineering design, surveying and environmental services. In addition to duties as the city engineer, the consultant also provides engineering services to the water and sewer utilities and the planning and zoning boards.

CONTRACT PROVISIONS

The team reviewed the city's contract for engineering services for compliance with local public contracts law and adherence to good business practices. The team's review of the contract indicates that the contract is not in compliance with statutory appointment terms for a municipal engineer and also exceeds the maximum term allowed for a professional service contract.

The term of the city's agreement for the appointment of the municipal engineer is four years. The maximum term for the appointment of a municipal engineer under N.J.S.A. 40A:9-140 is three years.

The city's contract term makes no distinction between the appointment of the city engineer as a municipal official and the contract for his firm to provide engineering services. The agreement between the municipal engineer and the city includes a fee schedule containing hourly rates for various services, equipment and materials provided by employees of his firm. According to a provision in the agreement, the fee schedule for the firm increases by five percent a year for the four-year term of the contract. In practice, the firm provides a revised fee schedule via transmittal letter to the city each year. It is the team's position that although the city is allowed to appoint a municipal engineer for a three year term, the agreement to provide engineering services performed by the firm constitutes a separate professional service contract and is subject to the maximum contract term of 12 months as provided in N.J.S.A. 40A:11-15.

The contract with the engineering firm has a provision appointing one individual of the firm as the public works director and another as city engineer. This contract provision provides monthly payments for “the rendering of normal and routine services” amounting to \$52,752 per year. In addition to this monthly payment, the firm was also authorized to bill for itemized services pursuant to a fee schedule attached to the contract. Interviews with the city’s staff and the city engineer indicate that this provision is no longer in force and billing is only for time and materials. The team reviewed billing documents submitted by the firm and confirms this relationship. No formal amendment was made to the contract to reflect this new contractual arrangement.

Recommendation:

The team recommends the city terminate the present contract and prepare a new agreement appointing a municipal engineer for the appropriate term in accordance with N.J.S.A. 40:A:9-140. The city should also ensure that any agreement or fee schedule for services not specifically performed by the appointed municipal engineer be approved by resolution of the governing body for a contract term of 12 months in accordance with N.J.S.A. 40A:11-15. Additionally, the city should ensure that any amendments to professional service contracts are formally executed by resolution.

FINANCIAL AND BILLING

The aging infrastructure of the city and numerous economic development programs contribute to a high level of expenditures for engineering services. In FY 1997, city payments to the consulting engineer amounted to \$230,018. Total salary and direct benefit costs for the principal engineering aide amounted to \$48,286.

The team reviewed the billing submitted by the city engineer. The billing contained detailed descriptions of the work completed, time expended and the appropriate project name. Overall, the level of documentation was satisfactory. The team did, however, have concerns over the cost of certain items in the fee schedule. For FY 1997, the scheduled fee for clerical services was charged at an hourly rate of \$34.25. This category of service includes such routine office tasks as typing and operating copying machines. By contrast, a clerical/typist charge from an engineering firm in the same region amounted to \$25.00 per hour.

The team has concerns over the method of calculating the firm’s billing for routine clerical functions. The firm’s practice of billing in minimum 15 minute increments probably overstates the actual cost of providing these services. In one random billing sample from 1996, the firm submitted a billing for clerical labor costing \$8.56 for 15 minutes of labor to copy fourteen pages. In addition to the cost of labor to copy these documents, the firm charged the city an additional \$0.40 for each individual page copied which equaled \$5.60. In total, the firm charged the city \$14.16 to make one copy of a fourteen page document. Although it is a normal business practice to include some administrative overhead in fee schedules, this amount seems rather excessive in relation to the service actually being performed. The team’s review of other billing submissions by the vendor indicates that this is a standard practice for the copying, faxing and filing of documents.

The team reviewed payment vouchers submitted for engineering services. Duplicate signatures by the city engineer were found in the signature blocks for the vendor's and department head's certification. The signature block for the vendor certifies that the goods or services were delivered and the billing is correct. The department head's certification is confirmation by an agent of the city that the service has been performed and the billing is correct. To have the same person sign both signature blocks defeats the purpose of having these financial controls.

Recommendation:

The city should closely review and firmly negotiate reasonable fee schedules before entering into professional service contracts. The city should also solicit fee schedules from other comparable firms to ensure that they are receiving a competitive price.

In cases where contracted professionals are appointed officials, the city should insure that all vouchers for professional services contain verification by a responsible department head, other than the vendor, that the services have been performed and the billing is correct.

The city should negotiate a provision in the next engineering contract to reduce the billing increments from a quarter to a tenth of an hour. This would reduce the average unit of billing from 15 minutes to 6 minutes. This system would be a more accurate measure of the time expended to perform tasks such as filing, copying and faxing.

PRINCIPAL ENGINEERING AIDE

The principal engineering aide is a city employee who performs functions not requiring a licensed engineer. The employee is located in the public works office and is assigned a vehicle to perform site inspections. He is a certified public works manager and has been employed with the city for over thirty years.

The duties of the principal engineering aide include updating the tax map and responding to complaints on street and storm drainage issues. He also performs daily inspections of road projects. The aide also maintains the city's repository of engineering records and researches properties to be foreclosed by the city for any environmental risk exposure. In addition to these duties, he assists various city departments in preparing specifications for improvement to their facilities and construction management.

In the past, the principal engineering aide reported to the public works director. Presently, he reports to the business administrator by submitting attendance sheets and occasional project update summaries. Additionally, the principal engineering aide works with the city engineer in a number of areas relating to priority lists for road projects and grant applications for transportation.

Recommendation:

The city should review the reporting relationships of the principal engineering aide and the consulting engineer. Current practices regarding the oversight of engineering services do not follow the city's administrative code. The administrative code stipulates that all engineering functions of the city fall under the supervision of the currently vacant position of public works director. Presently, both the consulting engineer and principal engineering aide report to the business administrator. This system gives rise to some confusion as to the specific duties of city staff and the consulting engineer.

The public works portion of this report recommends a revised table of organization in Appendix H, which consolidates all public works-related operations under the supervision of the public works director. The team also recommends that all engineering services fall under the supervision of the public works director in this new organization. A public works director would be familiar with the infrastructure needs of the city

and would distribute work between the consultant and city employee in a more cost-effective manner. A more detailed discussion of these recommendations is presented in the public works section of this report.

PUBLIC SAFETY

OVERVIEW

Public safety is one of the fundamental services that taxpayers expect local government to provide. Police, fire and emergency medical services are critical 24-hour operations. Public safety operations employ the greatest single share of the city's workforce and utilize \$5,174,844 or 41 percent of the operational budget for municipal purposes.

Public safety functions are divided into the divisions of police, fire and emergency medical services. A part-time civilian director presently serves in the capacity of director of police and fire. The director oversees a variety of broad policy and administrative matters; however, full-time division heads handle day-to-day matters.

The city's public safety operations have undergone significant changes in leadership and operations. The captain and acting chief of the fire division have been serving in that capacity for less than a year. The present police chief is scheduled to retire in June. The Emergency Medical Services Squad (EMS) has been reorganized into separate volunteer and paid squads. EMS has also begun billing for ambulance services through a third party agency.

The effect of these changes presents both problems and opportunities. Personnel from all divisions have expressed the frustration of dealing with these changes and perceive there is a lack of leadership in making firm and timely decisions regarding public safety. The new full-time leadership now in place should allow the city to look at its operations with a fresh perspective and further streamline its public safety operations. The recommendations of this report can be more easily implemented with a new management team.

The team found that both employees and volunteers were highly dedicated to their missions. In general, most supervisors understood the budgetary constraints faced by the city and tried to minimize costs for the city.

DIRECTOR OF POLICE AND FIRE

The director of police and fire is a part time employee, earning a salary of \$7,171 and receiving, in lieu of health benefits, reimbursement of \$2,894. The director occupies an office in the police administrative building. Their ranking uniformed officers supervise the daily activities of the Divisions of Police and Fire. The team found the majority of the activities pertaining to the director of police and fire were minimal in nature and involved very little, if any strategic planning or broad policy guidance. The director did not hold meetings or communicate with department heads regularly to review pending issues, develop policies and procedures or perform any substantial management functions.

Recommendation:

Because of the minimal activity and involvement of the director in emergency services, the team recommends the elimination of the position of the director of police and fire. The respective division heads could absorb the present scope of the director's duties. These senior employees, with the approval of the BA or CFO could capably handle routine matters such as approvals of purchases and personnel actions. The business administrator should coordinate broader policy issues involving multiple departments. The business administrator maintains a global view of municipal operations and is aware of the budget constraints faced by the city. If the city elects to implement this recommendation, the administrative code would have to be amended to designate a new "appropriate authority" to oversee police operations in accordance with N.J.S.A. 40A: 14-118. The salary savings will amount to \$7,171, which is quantified here. The cost of the in lieu of health benefits payment amounting to \$2,895 is included in the insurance section of this report. The total savings equate to \$10,066. However, should this position be deemed appropriate, the governing body

must appoint an individual that is appropriately qualified to perform the expected and necessary duties of this office. This could include the assumption of the duties of the chief executive officer of the police department should the position of chief of police be eliminated as has been done in other communities in the state.

**Cost Savings: \$7,171
(Salary Only)**

STRATEGIC ISSUES

The city's public safety divisions face a broad array of strategic issues. These issues can affect the timely response and cost of providing public safety services to the city. Among all divisions and ranks of personnel, the team discerned a general perception from employees that decisions regarding public safety are made in a reactive manner, rather than proactive. Many problems affect multiple departments, yet comprehensive approaches are perceived as not taking place. The team identified several major issues that must be addressed:

1. The planned relocation of the hospital outside of the city limits will increase the turn around time for each ambulance service call. Already, the number of calls received by the present daytime paid squad sometimes exceeds the present staffing level and volunteers must be called upon to respond.
2. The viability of the volunteer firefighter organization is a matter with considerable public safety and financial consequences. The dwindling response of volunteers to fire calls may necessitate an expansion of the paid firefighter element at considerable cost to the taxpayer, unless immediate attempts are made to enhance the volunteer element.
3. Facility and equipment procurement for public safety is often conducted in a reactive matter. Police and fire facilities are very old, have not kept pace with modern technology and procedures and are in need of upgrades.
4. Management controls and reporting procedures presently in place are insufficient for the cost-effective management of personnel and the evaluation of public safety operations and policies.
5. The present public safety department's personnel make up is not reflective of the racial and ethnic composition of the city.

Recommendation:

The team strongly encourages the city to develop a strategic plan to enact long range solutions to these issues rather than reacting to crises as they arise. The planning process should involve senior public safety officials, elected officials and the business administrator. Among the possible solutions to the above issues are the following:

1. **The city should develop an organizational response to the increased workload that is anticipated to occur when the hospital is relocated to an alternate location in the county. The city should consider regionalization of emergency medical services in which the costs are shared among a larger tax base. Additionally, there appears to be an opportunity to utilize existing fire personnel in the role of emergency medical technicians (EMT). This could be easily facilitated since the current full time fire captain is utilized in the county as an EMT instructor.**
2. **The city should consider incentive programs to encourage the participation of volunteers in order to avoid the expense of hiring additional full-time staff for fire and EMT's.**

3. Under the auspices of Bridgeton Emergency Management and the county fire coordinator, the city should inventory the personnel and equipment of the city's departments to determine if opportunities exist to allow other departments to cross-level resources from each other departments if paid and volunteer resources are strained.
4. The city should develop reports in which overtime, special programs and personnel resources are monitored and analyzed to measure the relationship between resources devoted to a particular program or mission and the desired results. The data should be summarized in order to discern trends or conditions, which would lend itself to organizational or scheduling cost containment strategies. Commitments of resources by the city should be justified by quantitatively measuring the results attained.
5. A sincere and deliberate outreach effort should be developed that would focus on recruiting more women and minorities for the city's public safety work force.

POLICE

OVERVIEW

The Division of Police consists of 66 sworn officers and 12 civilian employees. The city faces a challenging law enforcement environment. The city has experienced a dramatic reduction of its once vibrant industrial base and suffered a corresponding loss of job opportunities for its relatively young and unskilled workforce. These circumstances have created a fertile setting for a variety of social ills. According to the 1996 Uniform Crime Report (UCR), Bridgeton experiences a violent crime rate double that of other comparable urban centers in Cumberland County and three times the rate of the state:

Municipality	Crime Rate	Violent Crime Rate	Nonviolent Crime Rate
Bridgeton	92.0	17.3	74.7
Millville	63.9	8.4	55.5
Vineland	62.5	7.5	55.1
Cumberland County	56.5	7.9	48.6
State of New Jersey	43.8	5.4	38.4

An examination of past UCR statistics from 1993-1995 reveals similar patterns of double the violent crime rate and a significantly higher rate of nonviolent crime, as compared to Millville and Vineland. During the review it was apparent that there was a perception that the high crime statistics may be related to the location of the South Woods State Prison being in Bridgeton. However, it should be noted that the statistics utilized predate the opening of the facility.

Organizationally, the level of accountability in the department is mixed. While the team found many dedicated officers at all levels in the department, other observations indicated a lack of accountability for the behavior of some officers.

The team observed a patrol officer assigned to light duty in the dispatch center for having an "attitude problem." The officer's unprofessional deportment was confirmed by the team. However, disciplinary measures and not light duty would be a more appropriate response to such behavior.

The team also obtained a fax for a private computer business originating from the police department sent to the school district office soliciting business for the officer's home based enterprise.

At the time of the review, standard operating procedures were in the process of being updated to reflect changes in mandated police procedures.

Command positions have changed considerably with the chief of police on sick leave for approximately a year and an acting chief performing in that capacity. Both lieutenant positions in the uniform and detective divisions have seen personnel changes in the past year. The lack of continuity in these important leadership positions may have resulted in a lower level of accountability in the department.

Recommendation:

The scheduled retirement of the chief of police after being absent on sick leave for approximately a year should enable the new leadership in the department to assert management responsibility and instill greater accountability into police operations. The past changes in leadership has created a climate of uncertainty and prevented the transitional leadership from exercising full prerogatives of setting new policies and programs.

UNIFORM PATROL DIVISION

The uniform patrol division is commanded by a lieutenant and is comprised of three units, the motor patrol bureau, the community policing unit and the special services bureau. The motor patrol bureau consists of five platoons, each supervised by a sergeant. One sergeant, six patrol officers and a dispatcher are assigned to each platoon. Each platoon works a ten-hour shift and three platoons cover a 24-hour day. Patrolmen work a 4-3, 4-3, 4-2 (days on/days off) schedule for a total of 120 scheduled working hours in a 20 day cycle.

The bulk of the patrol division's efforts are centered primarily on its core duties of maintaining a patrol presence to deter crime and responding to service calls. Additionally, the patrol division conducts a foot patrol of the central business district from 8:00 a.m. to 5:00 p.m. daily. The motor patrol division also performs security checks of commercial establishments in the morning and evening hours outside of normal business hours. To accommodate training needs during the course of the year, the platoons in the patrol division will work a 5-2 schedule with four eight-hour days devoted to patrol duties and the fifth eight hour day being the instruction day. The reduction of two hours per day is compensated by overlapping shift schedules to ensure unbroken patrol coverage. The collective bargaining agreement stipulates overtime for these training days and it is referred to as fifth day pay.

Police officials indicated that the tempo of calls increased during the overlapping shifts, however, no quantitative evidence was produced for the team to support this method of scheduling. The limited number of patrol vehicles available to the police significantly undermines the ability to effectively utilize the additional staffing during the overlapping shift schedules.

Another problem with the city's five platoon rotation system is the inefficient utilization of available patrol personnel. Two of the five platoons are off duty on every workday. This amounts to 40 percent of the patrol strength being unavailable. Vacations, sick leave and other absences reduce the patrol strength further. With a 5-2 schedule, consisting of a standard workweek of five 8-hour days, only 28 percent of the patrol strength are scheduled to be unavailable on any given day.

The team attempted to determine a minimum staffing level for the city to perform its patrol functions. The difficulty associated with using the workload analysis is the city's practice of manually recording patrol activities. Due to the frequent turnover of dispatchers and different levels of training received by sworn officers filling in for vacant dispatchers, the workload data may not be accurate. Discussions with senior police officials indicate that the city will install and conduct training for the implementation of computer assisted dispatching in the next fiscal year. The addition of this system will provide a city with a valuable management tool to better analyze their workload.

Recommendation:

The team recommends the city conduct a patrol analysis after the computer aided dispatch system has been in place for a year. Using the new capabilities provided by this automated system, the city will be able to indentify peak service periods by the hour and day of the week. With this new data, the city should reevaluate its present patrol system and adjust staffing to meet demand.

After conducting this analysis, the team recommends that the city consider the implementation of 5-2 schedule with officers assigned to fixed shifts rather than rotating platoons. Using this system, the strength of any given shift would not be set by the size of the rotating platoons, but by the assessment of the city as to the appropriate staffing levels for that particular time period.

COMMUNITY POLICING

The Community Policing Unit (CPU) consists of a sergeant and three patrol officers. The CPU works five 8-hour days. The CPU operates on flexible hours depending on crime trends or special events. Additionally, four officers are permanently assigned to patrol low-income housing projects and are under the operational control of the CPU. Two officers patrol one privately owned housing development and the other two patrol apartment complexes operated by the Bridgeton Housing Authority. These apartment complexes pay for the officers through contracts with the city.

The intent of the CPU section of the department is to develop an improved quality of life and sustain a sense of pride and belonging to a community. The CPU operates out of a storefront location centrally located in the Milltown area of the city. The police conduct periodic foot patrols and respond to calls for service originating from their area of responsibility. A review of CPU activity logs revealed patrols in which officers enforced a variety of city ordinances for such items as property maintenance and other quality of life issues. The officers interviewed by the team were enthusiastic about their duties and seemed to derive a special satisfaction from developing closer relations to the community.

Quantitative performance measurements for community policing are difficult to develop because of the intangible goals of the program such as better police relations with the community and other social goals. Evaluating these goals is largely subjective. The team randomly interviewed several residents about the program and the views regarding the effectiveness of the CPU were varied. Some residents expressed ambivalence about community policing while others seemed genuinely pleased about the efforts.

The team requested that the CPU provide quantitative evidence of their performance by measuring the levels of crime for the period since the implementation of the program in 1995 to present. Outside of the daily activity log, there is little quantitative support for describing the CPU program's level of accomplishment.

Recommendation:

The team recommends that the city develop a management reporting system to more accurately monitor crime trends in the CPU patrol areas. The commitment of substantial resources by the police to any program needs to be evaluated from a position of cost effectiveness. After evaluating the broad scope of the CPU officers' social service and quality of life missions, the team questions whether some of these functions may be better served by a lower-paid civilians rather than sworn officers. The city may wish to engage a civilian city employee or nonprofit agency to conduct the social outreach functions of the unit and return the officers to their core duties of law enforcement. Additionally, other areas of the city appear to be in similar need of property maintenance and code enforcement. The city's considerable staff of code enforcement specialists should also take a more aggressive role in enforcing these safety and quality of life ordinances.

SPECIAL SERVICES BUREAU

The special services bureau performs administrative duties, training and logistical functions. A sergeant supervises the bureau. The primary day to day function of the sergeant is training and oversight of the administrative staff for the division. The bureau has a training section with a detective temporarily assigned to teach computer skills to officers. Another officer is responsible for vehicle maintenance, traffic safety and emergency management training. One civilian clerical employee handles police records and another clerk functions as the court liaison. This bureau also oversees the animal control officer and school crossing guards.

The training function of the department is overseen by a highly knowledgeable and self motivated individual. The department conducts training sessions on a regular basis for each platoon or section. Detailed records are maintained documenting the training received and the results of testing for each officer. Previously, training was conducted in a decentralized manner with each shift or section responsible for conducting classes. Discussions with police officers indicate that this system was haphazard, resulting in a significant portion of required training not being completed and or properly documented.

Recommendation:

The city should be commended for its thorough and methodical approach to training.

SCHOOL CROSSING GUARDS

School crossing guards are supervised under the special services bureau. At the time of the review, they operate 37 posts with approximately three guards functioning as substitutes for absent crossing guards. The crossing guards are paid a daily rate of \$13.50 for morning and afternoon postings and receive no benefits from the city. Several of the crossing guards are used to conduct the city's dog census on a seasonal basis.

CRIMINAL INVESTIGATION DIVISION

The criminal investigation division is commanded by a lieutenant and consists of the detective bureau, anti-crime task force and forensics unit. Officers assigned to this division work five 8-hour shifts per week. The detective bureau is supervised by a sergeant and has five detectives assigned with one position vacant. The juvenile unit comes under the responsibility of this bureau and comprises a detective and two uniformed officers.

The anti-crime task force consists of one sergeant and four detectives. One detective position is currently vacant. The mission of the unit is focused primarily against narcotics crimes. The unit operates in coordination with a variety of state and local law enforcement agencies.

FORENSICS UNIT

Two forensic specialists, consisting of a sworn officer and a civilian staff the forensics unit. Additionally, there is a senior dispatcher assigned to the unit to provide administrative support. The mission of the forensics unit is to collect physical evidence for criminal investigations.

This operation is rather elaborate for a department of this size. Most police departments of this size utilize the forensic services of the state police or county prosecutor's office. Discussions with police officials indicated that they were not satisfied with the capabilities of the county prosecutor's office to provide this service and the length of time taken by outside agencies to process evidence.

It appears that the present section absorbs a disproportionate amount of resources available to the department for the benefit received. The total position cost of salaries and benefits for the forensics section in 1997 was \$150,036. The use of a dispatcher for administrative duties adversely impacts the efficiency of the department in two ways. First, the loss of a dispatcher where there are currently three vacancies increases costs when a uniform officer must perform these duties instead of a more economical dispatcher. Secondly, the dispatcher vacancies, in conjunction

with minimum staffing requirements, trigger overtime when sick leave or any other unscheduled absences under staff shifts.

While visiting the forensics section, the team observed that the civilian dispatcher assigned to clerical duties was armed and wore a uniform similar to Bridgeton sworn police officers. Discussions with the individual indicated that the dispatcher had a permit to carry a weapon. While not observed by the team, it was also reported to the team that the civilian forensics officer was also armed. This situation of armed civilians in the police division presents serious safety and liability concerns. The possession of a firearm indicates that non-sworn officers have the capacity to administer deadly force though they are not trained or authorized.

Recommendation:

The civilians in the forensics section should be immediately disarmed and be required to wear a uniform that clearly distinguishes them from the sworn officers of the department. This will address safety concerns as well as reduce the potential liability exposure of this situation.

Though it is convenient for the police to process evidence in a timely manner through their own forensics section, it is not cost effective. Most departments utilize state and county resources to process evidence. Discussions with officials of the Cumberland County Prosecutors Office indicate that the county would provide forensic services to the city. Forensic services beyond the capability of the county would be referred to the state police. In consideration of these resources at the disposal of the city, the forensics unit should be disbanded and the dispatcher reassigned to fill communication vacancies. The uniformed forensics specialist should be reassigned to fill a vacancy elsewhere in the department where his skills may still be utilized. Officers assigned to the detective bureau should be trained in methods of evidence collection. The civilian forensics position should be eliminated.

Cost Savings: \$150,036

POLICE OVERTIME

Overtime, including fifth day pay, amounted to \$287,423 in 1997. This amount is approximately 8 percent of the total salary and wages paid to police personnel. Record keeping of overtime varies by section in the department. Detailed overtime logs are maintained in the criminal investigation division, while the uniform division does not keep such records. The team could not accurately determine the amount of overtime by function, so the team had to research the causes of overtime through interviews with police officials.

For the patrol division, unscheduled absences, combined with minimum staffing requirements, drive up overtime costs, as officers must be recalled to ensure adequate patrol coverage in a given shift. The contract stipulates a minimum staffing level of one sergeant, four patrol officers and a dispatcher for all shifts. Discussions with senior police officials indicated that the staffing level was appropriate and considered lower patrol staffing levels a detriment to safety. According to the present labor agreement, officers selected to fill vacancies due to minimum manning requirements must be from the overtime list and not from other sections of the department on duty at the same time.

Overtime due to the recall of detectives to crime scenes can be reduced through the use of scheduled night duty for detectives. The detective division presently has one vacancy, which used to be the night position. The department recently hired four new patrolmen to fill existing vacancies in the division. The addition of new officers to the department should allow the position to be filled. Currently, detectives are recalled on overtime pay to respond to a crime scene that occurs outside of their regular shifts.

Recommendation:

Eliminate, via negotiation, the provision in the police collective bargaining agreement stipulating that uniformed officers from other bureaus cannot be utilized to fill temporary patrol vacancies caused by unscheduled absences.

The city should further eliminate the concept of minimum staffing through “scoping” the issue by way of the Public Employees Relations Commission. It is management’s prerogative to utilize its personnel in any manner it sees fit as upheld by the decision of the Public Employment Relations Commission in *the City of Long Branch and the Long Branch PBA #83-15*. It is the chief’s duty to assign personnel to duties and schedules commensurate with need as authorized in N.J.S.A. 40A:14-118. Additionally, the city should re-evaluate its staffing policy to determine appropriate shift strength levels based upon call volume history over the course of the week.

The city should ensure the night detective position is filled to reduce the overtime due to the recall of detectives during off duty hours, i.e. at least one detective assigned to the hours of 7:00 p.m. to 3:00 a.m. The city may also wish to negotiate a provision into the police contract to set a flat fee rather than overtime for police court appearances outside of normal duty hours. This provision would give the city cost effective options in managing overtime due to court appearances.

POLICE FLEET OPERATIONS

Police officials expressed concern over the condition of the existing vehicle fleet. Presently, the motorized patrol comprises three shifts 24 hours a day and a sergeant and six patrol officers have at their disposal seven vehicles with no backup. Other sections have older vehicles that are not suitable for high usage shift work. The lack of sufficient vehicles significantly affects the mobility and operational flexibility of other police units. The community-policing unit has assigned two vehicles for its eight officers and the juvenile section comprising three officers has two vehicles at their disposal. In addition to the vehicles assigned to the patrol vehicles, there are seven marked special use vehicles and eight unmarked vehicles for criminal investigations.

An examination of the age of the vehicle fleet reveals an uneven and reactive pattern of acquiring patrol vehicles. The city appears to purchase vehicles in three to four year cycles rather than replacing vehicles yearly. At the time of the review, the city received bids for the leasing of four new patrol vehicles and the present situation should be eased by the addition of these vehicles to the fleet.

The police, as well as other city departments, primarily use private vendors for their scheduled and unscheduled maintenance needs. A sworn officer from the service section is responsible for coordinating repairs for the vehicle fleet. No coordination is made with the city mechanics as to the appropriateness of the outsourcing of selected repair work. A more complete discussion with recommendations regarding the police maintenance fleet shall be covered elsewhere in this report.

Recommendation:

The use of a sworn officer to oversee the maintenance of vehicles and other police equipment is not cost effective. Sworn officers should be utilized in a law enforcement role that is commensurate with their training and salary. With the recommendations submitted by the team, the need for the utilization of a sworn officer for vehicle maintenance will be eliminated and the officer can be returned to a more appropriate law enforcement role. A civilian employee from the public works department would be responsible for managing the maintenance of police vehicles.

POLICE FACILITIES

The police station is located in the old city hall building across from the city hall annex. The conditions in the building, especially the basement, are deplorable. The cleanliness of the building is clearly not up to the standard of any type of public building and may even prove a detriment to public health. The building was originally built in 1922 and many portions of the building are in a state of disrepair. Holding facilities consist of restraint bars attached to a wall. The furnishings are old and in disrepair. The dilapidated condition of the working environment was a common complaint among numerous police employees interviewed by the team.

Recommendation:

The team recommends the city spruce up the building and acquire new furniture for the office areas. The recommendations regarding building maintenance will be addressed in the public works portion of this report. These actions would considerably improve morale among police employees and create a more professional work environment.

POLICE MANAGEMENT CONTROL AND REPORTING DIVISION

After review of the organizational structure of the police with Local Government Budget Review and Division of Criminal Justice police specialists, the team concludes that the present rank structure of the police is adequate for supervisory control of division employees but lacking in management resources. Lieutenants commanding the uniform patrol division and criminal investigation divisions are too immersed in daily operations to develop long range planning and conduct in depth analysis of their many functions. The chief is also forced by circumstances beyond his control to react to situations that arise and normal administrative duties often preclude him from conducting detailed studies and strategic planning of departmental functions.

Superior officers need to be held accountable for taking more vigorous measures to reduce overtime. Each instance of overtime needs to be reviewed for the scheduling and organizational alternatives that should have been implemented. Initiative and creativity in scheduling should be encouraged and assessed at all supervisory levels of the police to reduce overtime.

The city is to be commended for maintaining a lean rank structure, but an organization with wide-ranging missions and high costs such as the police division should have the management resources to properly manage the department and evaluate the relationship of the resources dedicated to a program and the desired results.

Recommendations:

The team recommends the police implement the following performance measures to better manage their operations:

- 1. Maintain overtime logs in summarized form by organizational function. Existing records list overtime pay for each individual, however, they are primarily used for the purposes of generating payroll benefit and are of little use for managing and scheduling personnel functions to reduce overtime.**
- 2. Specific policing programs should be quantitatively tracked to determine if they are successful. Community policing, surveillance cameras and housing police functions should be evaluating over time to determine if they actually reduce crime. A geographical area under the program should be identified and reporting systems implemented to accurately measure the effectiveness of the program.**

The city should create the position of captain to assist the chief of police in giving the organization greater management capability. This position would oversee the operational elements of the police consisting of the patrol and detective divisions. This new position would allow the chief of police to focus on broader strategic issues rather than routine administrative matters and daily operations. The immediate cost of this position is considerable, yet the city would benefit from more effective police services and long-range savings could be realized through more efficient management of police resources. If the city implements this recommendation along with the elimination of the forensics section, the actual cost to the city of creating the captain's position would be the difference between the two salaries. A table of organization is shown in Appendix E, with the captain's position incorporated into the police division, is attached to this report.

Value Added Expense: Approximately \$12,000

SICK LEAVE ACCOUNTABILITY

The absence of the chief of police for an extended period of time appears to have had a negative effect on accountability in the department. Sick leave is intended to be used for bona fide illness and should be documented after any extended illnesses. The city allowed the chief to receive full pay and benefits during an extended sick leave but failed to properly verify the illness.

The team made an extensive effort to locate documentation regarding the extended sick leave. The city produced a letter from the director of public safety authorizing the former chief to extend his sick leave up to his anticipated retirement date. However, there was no certificate by a physician confirming that the sick leave was expended due to an illness or on duty injury. An occupational injury log obtained by the team indicated that the former chief had reported a work related injury, however this claim was rescinded according to a notation on the document. A copy of the employee attendance record card reflected a “duty injury.” The city was unable to produce any documents substantiating any medical claims supporting sick leave or injury leave that took place over a period of approximately one-year.

The impact of this behavior on the police ranks is difficult to assess. Though intangible, leadership and accountability have a dramatic effect on the organizational climate in which police functions are conducted. As long as an employee is receiving full pay and benefits, the city should have every expectation that the employee shall fully discharge their duties regardless of their rank or position. Financially, the city had been paying for a chief and an acting chief of police for approximately a year at the cost of \$14,051 in acting pay. In addition to expending excessive amounts of vacation and sick leave for approximately a year, the former chief received \$21,978 in accrued leave upon retirement.

Recommendation:

The city should insist on consistent accountability for sick leave. Sick leave for senior employees should require the same degree of documentation as other junior employees. The city’s policy is clear regarding sick leave. City policy mandates that sick leave in excess of five days requires documentation by a physician. The city should strictly enforce this policy without regard to rank. The presence or even the appearance of improper behavior undermines the credibility of the chain of command in the eyes of subordinates.

FIRE

OVERVIEW

The City of Bridgeton is an older urban center in a rural county. The housing stock of the city largely predates modern building and fire codes. Vacant older industrial sites are scattered throughout the city. Risk analysis documents obtained by the team indicate a fire rating of five out of a scale of 10. The insurance report lists a variety of factors affecting the rating such as fire fighting capacity, infrastructure and response times. The ISO rating has an effect upon the insurance rates of the community.

Recommendation:

The city should review this report in an effort to address those issues, which are correctable. Once accomplished, the city could request a new ISO inspection intended to improve the city’s rating. This could result in a lowering of insurance rates for all property owners.

STAFFING/ORGANIZATION

The Division of Fire comprises thirteen paid employees. The firefighters are organized into three shifts. The paid firefighters work 24-hour shifts and receive 48 hours off. Each shift consists of one lieutenant and three

firefighters. Each shift works a 24-hour tour beginning at 7:30 a.m. The minimum staffing level is three firefighters per shift.

There are 30 volunteers to augment the paid firefighters. Of these volunteers, 25 serve as firefighters and five as fire police. They are alerted to respond to “all calls” which are major fire events. These firefighters must respond to 35 percent of calls in order to maintain their active status. Volunteers receive a stipend of \$300 for every six months in which they achieve the required response rates.

The Division of Fire has undergone leadership changes, with the present captain serving as the highest-ranking firefighter since July of 1997.

FIRE FACILITIES

The fire division facility is centrally located in the city and adjacent to the central business district. The building is old, but of sufficient size and condition to properly house the equipment and staff. The first floor consists of garage bays to house the fire apparatus, with a small administrative area between the five vehicle bays. The second floor consists of living areas, storage rooms and an office for the fire prevention bureau.

Exercise equipment is made available to firefighters and a large meeting room on the second floor is suitable for conducting classes.

FIRE APPARATUS

The inventory of the fire department consists of five major vehicles comprising one ladder tower apparatus, three pumper units and a smaller vehicle for response to brush fires. A passenger car is detailed for administrative duties. A 1944 vintage fire engine is also present in the garage. Firefighters perform scheduled daily, weekly and monthly operator-level maintenance checks on the equipment. Private vendors perform higher level maintenance.

FIRE WORKLOAD ANALYSIS DIVISION

In 1997, the Division of Fire responded to a total of 659 service calls of which 26 were classified as structural fires. Over the course of the calendar year, firefighters responded, in some capacity, to approximately one incident or situation every 13 hours. The following code summary reports obtained by the team illustrate the categories of service calls encountered by the division in 1996-1997:

Service Call	1996 Incident Count	1997 Incident Count
Undetermined	0	1
Fire/Explosion	134	112
Overpressure/Rupture	6	5
Rescue Call	7	3
Hazardous Condition	216	233
Service Calls	35	22
Good Intent Call	66	81
False Call	182	195
Other Situation	6	7
Total	652	659

A major productivity problem with a paid fire service is the significant amount of inactivity between responses to service calls. Some of this time can be utilized for operator-level maintenance and administrative duties and report writing; however, there is still a great deal of unproductive time.

Recommendation:

Several of the firefighters are qualified as emergency medical technicians. These firefighters should augment the emergency medical service and, thus, be more efficiently utilized when not involved on a fire call. Before this commitment can be made, the city needs to resolve problems with volunteer response to major fire events to ensure fire coverage is unbroken in the city. A more detailed discussion and recommendations of methods to improve volunteer response are contained below.

FIRE PREVENTION BUREAU

The fire prevention bureau maintains an office in the fire department building. In 1997, the fire prevention bureau consisted of one part-time fire official and two part-time fire inspectors. The bureau performed 143 initial inspections and 117 re-inspections in 1997. The bureau has recently begun to utilize paid firefighters as fire inspectors, while retaining the part-time fire official. The team learned that a paid firefighter has been recently qualified to serve as fire official.

Recommendation:

The city should eliminate the present part-time fire prevention bureau and assign its duties to the full-time firefighters. This would increase the productivity of the fire staff when not involved in fire calls. This program would also familiarize firefighters with the city's building inventory.

Cost Savings: \$3,500

FIRE OVERTIME DIVISION

In 1996, total overtime pay for the fire division was \$38,522.42 and firefighters averaged \$3,502 in overtime earnings. It appears that the department's minimum manning level, coupled with sick leave incidence, appear to be the primary causes of unscheduled overtime. The 24-hour length of the firefighters' sick tour increases costs, in that a tour roughly equates to three times the cost of an average municipal worker in a standard workweek with a comparable salary.

A typical employee has sixteen hours of unpaid time to recover from an illness before reporting to work. Firefighters are allowed seven tours for a total of 168 hours of paid sick leave. A civilian employee from the city receives 105 hours of sick leave, usually at lower salary rates.

Recommendation:

The city should re-negotiate the sick leave provision in the fire contract to bring the total hours closer in line with the sick leave received by civilian employees. A reduction of one tour for the sick leave would still give firefighters 144 hours as opposed to 105 hours for civilian employees.

Cost Savings: \$5,994

FIRE MANAGEMENT CONTROL AND REPORTING DIVISION

The team's evaluation of fire division operations was hampered by a lack of adequate historical records that would have allowed the team to more accurately identify trends and discern more areas of cost containment. At the time of the review, the department did not have standard operating procedures or detailed records of completed training.

The exercise of management control is an important method in containing costs. Detailed and accurate activity reports and standardized procedures enable management to properly evaluate the effectiveness and efficiency of a service in relation to the personnel and financial resources committed to achieve an end. There are presently no established standard operating procedures in the department and/or overtime logs in summarized form. The new leadership in the department is presently in the process of developing standardized activity reports and procedures.

Training for the department has been sporadic and no drills for volunteers were conducted from December, 1997 through April, 1998.

Recommendation:

The city should conduct regularly scheduled drills for full-time and volunteer members of the department. This should result in a more involved volunteer component and a better working relationship between the volunteers and full-time personnel.

The city should closely monitor the progress in improved management of fire division operations. As touched upon earlier, the city should closely examine documents detailing the risk factors associated with the fire rating. Some of these risk factors can be addressed organizationally, such as training and response procedures, with nominal cost to the city. The city should develop a work plan from this document to address each deficiency in a cost-effective manner.

Cost Savings: The improvement in the fire rating through the above procedures should result in reduced insurance costs for the city and private citizens. The quantification of the cost savings involved in this area is beyond the scope of this report.

VOLUNTEER FIREFIGHTERS

Full time and volunteer firefighters expressed concerns over the ability of the present volunteer organization to respond in adequate numbers to “all calls,” that are event classified as a fire/explosion. The team examined attendance records for 1997 and 1998 and found that approximately half of the volunteer roster failed to satisfy the minimum response requirement to maintain active status.

Discussions with the staff indicate a number of reasons for the low response of volunteer firefighters. Many volunteers cannot respond to calls during normal business hours because of employment obligations. Concerns were raised by volunteers over the quality of the equipment issued for volunteers and unresolved differences regarding the chain of command in an integrated volunteer and paid fire service.

Another key factor in improving volunteer participation is morale. There is some dissatisfaction over what is perceived as indifference by the city for the sacrifices of the volunteers. The present volunteer organization is not very active with regard to social events and the sense of identity as an organization is weak.

There appears to be confusion in regard to the legal status of the volunteer association as to its ability to raise funds. Previously, the firefighters were considered part-time employees and were directed by the city not to raise donations as a volunteer organization. Presently, the volunteers receive an allowance and are not considered part-time employees. Fundraising efforts by the volunteer organization is practically nonexistent.

Recommendation:

The city must make a concerted effort to recruit and retain volunteers. Among options to consider are the following:

- 1. Many volunteers cannot respond during normal business hours because of work obligations. Some communities train their public works employees as volunteer firefighters and allow them to respond during working hours. The city should actively recruit from among its own public works and utility employees to improve response during normal working hours.**
- 2. The city should make a conscious effort to rebuild the sense of satisfaction felt by volunteers in service to the community. This can take many forms, ranging from**

creating a stronger sense of identity with dress uniforms to team building between the volunteer and paid firefighters.

- 3. Equipment safety concerns raised by volunteers should be evaluated and addressed by the city.**
- 4. The city's legal department should review the status of the volunteers and their ability to raise funds as a nonprofit entity, and any other legal issues that may arise. Assistance should be provided, where necessary, to obtain any needed permits or tax status designation. It is certainly a common practice for volunteer firefighters to raise funds privately. If the volunteers' legal status allows them to raise money, many amenities and social events could be funded without tax dollars. This would serve to benefit morale and contribute to a more viable volunteer organization in the long term.**
- 5. The municipal attorney should review what, if any, legal consequences may arise as a result of the city's provision of compensation in the form of the stipend to the volunteer firemen.**

EMERGENCY MEDICAL SERVICES

STAFFING AND ORGANIZATION

The rescue squad has seen the most dramatic changes to its operation. In 1996, the squad was organized into paid and volunteer squads. The reason for the formation of the paid squad was insufficient volunteer coverage during normal business hours. The present paid squad consists of one full-time member serving as chief, administrative cadre and a part-time squad of 11 members serving on an hourly basis. The paid squad operates from 6:00 a.m. to 6:00 p.m. Monday through Friday and have two members per shift. Volunteers are summoned if multiple calls are received at the same time.

The volunteer squad consists of 26 members who provide ambulance coverage during non-business hours and on weekends. The high morale of the squad was evidenced by the excellent condition of the vehicles and significant volunteer work performed on the building and surrounding areas. The volunteer and paid squads share much of the same equipment and it appears that the transition to a bifurcated emergency medical service has proceeded smoothly.

Bridgeton was one of the first municipalities in New Jersey to bill for ambulance services. The squad has contracted with a third party firm to handle all billing for ambulance services. Members of the squad complete trip sheets and submit them to the billing firm, which in turn, bills the insurance company or appropriate party. The billing firm receives a fee for each bill processed and additional fee for delinquent billing.

MANAGEMENT CONTROL AND REPORTING

The team examined documents relating to the operation of the paid and volunteer emergency medical services. Training certifications are current for emergency medical technicians and equipment inventories are detailed and well organized. The paid and volunteer squads have well-written standard operating procedures. All documents requested by the team were submitted in a timely manner.

FINANCIAL

The city implemented billing for emergency medical services in FY 1997. Due to billing being in place for only a portion of the fiscal year, the paid municipal squad received only \$10,978 in total revenues for that year. During FY 1998, the team has determined that the billing income has significantly improved, to a degree that emergency medical services have become self-sufficient in funding. Documents obtained by the team indicate that the following revenue was received in the first eight months by the paid and volunteer organizations:

Organization	Billing Income (FY 1998 to 03/01/98)
Bridgeton Emergency Medical Service (Paid)	\$72,064.46
Bridgeton Emergency Medical Association (Volunteer)	\$75,166.85
Total Billing Income	\$147,231.31

In addition to the billing income, the volunteer EMS squad raised an additional \$7,466 in subscription income. By contrast, the total budgeted appropriations for emergency medical services, including salaries, turnout gear and other expenses, amounted to \$101,800.

PERSONNEL POLICIES AND CONTRACTS

The labor-intensive nature of municipal government makes personnel policies and procedures a vital tool in cost containment. Unions represent most full time city employees. The contracts with these organizations dictate the terms and conditions of employment and have a major role in determining the cost of municipal services to be borne by the local taxpayer. The city must be vigilant to ensure terms and conditions of employment negotiated in the contracts do not constitute any unnecessary cost driving features. The team found several provisions which, if modified, would result in significant cost savings and greater accountability of personnel related activities.

VACATION LEAVE

An item of concern is the vacation allocation for senior city employees. Many city employees have long tenures of service with the city and this results in disproportionate paid time off as compared to a workforce with more junior employees. Frequently, these senior employees occupy supervisory positions and the city suffers an additional value loss through the absence of guidance for their respective departments and divisions.

A junior employee with less than five years of experience is allocated a total of twelve days paid vacation each year while an employee with twenty five years of service with the city is given thirty days paid vacation. Essentially, a senior employee could be absent for a total of six working weeks each year through vacation leave alone. This vacation benefit together with two personal days, 13 holidays and 15 sick days means that a senior employee could conceivably miss 60 days or twelve working weeks per year. The state requires that civil service employees receive a minimum allotment of vacation days. The labor contracts of the city provide greater numbers of vacation days than the civil service minimum.

Recommendation:

The team recommends the city adopt and negotiate the minimum state civil service vacation allocation for municipal employees.

Productivity Enhancement: \$45,138

LONGEVITY

All four collective bargaining agreements have provisions for longevity pay. Longevity pay is based on an increasing scale of pay corresponding to an employee's years of service to the city. It is the position of Local

Government Budget Review that longevity pay is of little benefit to the municipality because the payments are not tied to performance.

Three of the four contracts have longevity pay expressed as a lump sum rather than a percentage of base salary. This method of payment is preferable because lump sum payments reduce the fiscal impact of percentage salary increases. The police contract is the only agreement that pays longevity as a percentage of base salary. The city added additional costs when the longevity percentages were increased by two percent across the entire range in the last round of police negotiations.

Recommendation:

The city should eliminate longevity pay in its future contract negotiations with collective bargaining units. At a minimum, the city should negotiate lump sum longevity payments for police officers in the next contract.
Cost Savings: \$115,469

ATTENDANCE RECORDS

Employee attendance is recorded on time sheets and these records are submitted to the business administrator's office on a biweekly basis. Department heads review and sign the time sheets in addition to each employee signing to verify the respective data entry. Past instances of incomplete attendance records have been corrected due to greater emphasis on record keeping by the administration.

Accountability for employee attendance is maintained by observations of supervisors. The team conducted observations of employee arrival and departure times in different municipal departments and it appears that management adequately monitors this function.

PERSONNEL POLICIES AND PROCEDURES

The city's personnel policy was adopted in 1987. This policy governs the terms and conditions of employment for employees not covered by a collective bargaining agreement. The policy also applies to terms and conditions of employment not specifically addressed by labor agreements governing unionized employees. The present policy should be updated to reflect the significant amount of labor-related legislation that occurred during the last decade. The city's personnel policy makes no mention of the Americans with Disabilities Act, the Family and Medical Leave Act or the Conscientious Employee Protection Act (CEPA). Failure to communicate these policies to employees can expose the city to costly employment practices litigation.

The team observed that the city does not conduct performance evaluations across all departments on a consistent basis. A performance evaluation program is an important tool in improving the quality of municipal services. Evaluations provide an employee with an assessment of overall performance and provide the employee with goals to improve performance.

Recommendation:

The city should, in consultation with appropriate legal counsel, revise the personnel manual to reflect changes in labor laws. The city should also ensure that departments conduct performance appraisals of all employees on an annual basis.

SICK LEAVE ACCOUNTABILITY

The team reviewed payroll records for patterns of sick leave usage. The team found that the rate of sick leave usage varied widely among departments and individuals. The team compared sick leave usage among numerous city divisions and found no correlation between working conditions and sick leave usage. The sick leave rate of employees with duties involving heavy physical labor did not vary widely in sick leave usage with employees

performing clerical tasks. The team reviewed sick leave records for 1997 and determined the following averages of sick leave usage by major city departments or divisions:

Department	Average # of Sick Days per Employee	# of Employees Using More Than 10 Days
Streets, Road & Parks	6.50	5
Collections	11.13	6
City Clerk	15.75	1
Fire*	11.66	7
Police	10.06	31
Comptroller	8.00	1
Library	14.17	3
Municipal Court	6.50	1
Sewer	10.12	2
Water	13.23	7
Department Average	10.71	64

* Converted to eight hour days.

For 1997, the team estimated the city's cost of sick leave to be approximately \$200,336. This figure is based on the value of the average daily rate of employees receiving sick leave benefits. Not included in this amount are the overtime costs generated by sick days in departments with minimum manning requirements such as police and fire services.

The above statistics seem to indicate that the widely ranging rates of sick leave usage are due to different climates of accountability in city departments. From the records surveyed, it appears that sick leave is viewed by some employees as another leave option to be combined with their already generous vacation plan.

Recommendation:

The city should aggressively, but fairly, enforce the sick leave verification policy. Employees should present a doctor's note verifying illness after a prolonged absence or high usage of their annual allotment in accordance with established policy. Presently, the official sick leave policy of the city requires documentation after an absence of five consecutive days or 15 cumulative days. Use of sick days in conjunction with holidays, weekends or vacation days should be documented and verified by supervisors.

Department heads and supervisors should be evaluated on their progress in reducing sick leave in their departments. Supervisors and division heads should observe attendance records for patterns of sick leave abuse.

The team believes that increased emphasis on sick leave accountability would enable the city to reduce the current 10.70 day sick leave average by two days. The team feels that this is a reasonable goal. The Division of Streets and Roads presently has an average of 6.5 days of sick leave despite the physical nature of their work and frequent exposure to inclement weather. The team estimates the value of this additional labor to the city to be \$57,436.

Productivity Enhancement: \$57,436

TERMINAL LEAVE

City employees are allocated 15 days of sick leave each year and may carryover the unused balance into succeeding years. All four labor agreements provide payment for unused sick leave upon retirement. Three of the four contracts limit the total dollar value of terminal leave payments to \$10,000. The police contract has a dollar cap of \$13,000 on terminal leave payments.

Recommendation:

The municipality should be commended on limiting the amount of terminal leave payments made to retiring employees. The city should, however, maintain a consistent city policy regarding the maximum amount paid to all categories of employees. The team recommends the city negotiate a cap of police retirement payments from the present \$13,000 to \$10,000. The savings generated by this recommendation will vary according to the number of police retirements each year.

RECREATION AND PUBLIC AFFAIRS

OVERVIEW/STAFFING

The director of recreation and public affairs began his career with the city in 1985. In addition to his responsibilities in Bridgeton, he serves, in a part-time capacity, as director of the county's recreation department. The director indicated that he does not perform any duties for the county during the time he is working for the city.

Based on the FY 1997 payroll data, the recreation department had a staff consisting of a full-time clerk typist, full-time supervisor of the Southeast Bridgeton Recreation facility and 25 part-time employees. The total FY 1997 position value for recreation and public affairs was \$205,989, excluding the tourist center and zoo, which are discussed separately.

FACILITIES

While the city represents that it owns and operates some 1,100 acres of parkland the team could only verify the existence of approximately 623 acres. This consists of wooded parkland, public lakes, playgrounds, a zoo, playing fields, amphitheater, three museums, a spillway, which resembles a canal, and numerous walking paths. In addition to the land owned within the city limits, the city also owns property in the adjoining Hopewell and Upper Deerfield Townships. One of the two properties, Mary Elmer Lake, was purchased by the city and Mary Elmer bequeathed the other, Sunset Lake, to Bridgeton.

There are three museums located in the Bridgeton City Park; the New Sweden Farmstead Museum, Hall of Fame All Sports Museum and the Nail House Museum. It was represented that all three are operated by not for profit organizations. There is an admission charged to the New Sweden Farmstead, which is retained by the not-for-profit organization, but there is no admission to the Nail House and Hall of Fame All Sports Museums. However, all of the museums are maintained by the city's Department of Public Works at municipal expense, and the Nail House and sports museum are actually staffed by part-time municipal employees.

Recommendation:

All fees collected for any service provided by a municipally owned facility should be received by and accounted for by the city. The disposition of those funds should be under the direction of the governing body. This would include disbursing those funds to the non-profit.

According to the director of recreation and public affairs, there is no mechanized or manual counting method in place to determine how many people utilize the various museums or facilities and, therefore, no reliable count of the number of participants exists. The director estimated the head count to be about 66,000 for special events. The director also estimated total usage of the swimming beach to be 7,500, playgrounds 5,000, and 200 in sports clinics. As mentioned earlier these estimates could not be verified and no documents could be provided that would substantiate them.

Recommendation:

It is essential that the city develop a reliable, accurate method to accurately record attendance at the various municipal facilities mentioned above. The most reliable would be a form of electronic counter. This type of device is relatively inexpensive, and easy to install and operate.

FINANCIAL

There are a wide variety of recreation activities sponsored by the city; however, no comprehensive document exists that summarizes each activity, service and function or the cost of operating. At the team's request, the director prepared a summary of the various endeavors of the department and offered suggestions for the future. Based on budget documents, payroll information and information provided by city staff, the team was able to prepare the following estimate of the cost of the recreation and public affairs function for FY 1997.

Department	Budgeted	Actual
Public Relations		
S&W	\$ 8,500.00	\$ 7,889.50
OE	78,000.00	66,122.94
Total Public Relations	\$ 86,500.00	\$ 74,012.44
DPW- Div. of Parks		
S&W	\$ 195,264.00	\$ 203,526.43
OE	38,475.00	34,709.85
Total Div. Of Parks	\$ 233,739.00	\$ 238,236.28
DPW- Div. of Streets and Roads		
S&W (team estimate)	NA	\$ 19,334.00
Dept. of Recreation		
S&W	\$ 126,213.00	\$ 125,220.99
OE	32,500.00	32,495.27
Total Recreation	\$ 158,713.00	\$ 157,716.26
Division of Zoology		
S&W	\$ 154,738.00	\$ 158,258.96
OE	47,250.00	57,952.94
OE (county contribution)	20,000.00	20,000.00
Total Zoology	\$ 221,988.00	\$236,211.90
Celebration of Public Events		
OE	\$ 13,000.00	\$ 10,931.00
CDBG grants (federal funds)	\$ 10,000.00	\$ 10,000.00
Estimated Total	\$ 723,940.00	\$ 746,441.88

It appears that, in total, operating expenditures were greater than budgeted funds by \$34,989 or 5%. The expenditures of the department also represent approximately 5% of the city's total operating budget. Aside from the \$20,000 received from the county to support zoo operations and \$10,000 from CDBG funds, the operating expenses were funded entirely by the city. In addition to the operating expenses, the city is repaying a Green Acres Trust Fund loan with a current outstanding balance of \$178,220.

Most of the activities are free to anyone, even to those who do not live in the city. There was a fee ordinance passed by the city in 1971 and revised in 1974 establishing a \$50 fee for buses to enter the park area and a per vehicle parking fee of \$.25 by one of the lake swimming areas. In those ordinances, the director was granted the authority to waive the fee. Information provided by the director's office indicates that the city collected a total of \$475 in fees for recreation activities during FY 1997.

Recommendation:

While the team recognizes that the city takes great pride in its recreation program, the governing body must also recognize that the services provided for free, to anyone using the facilities, is a drain on the municipal budget. The fee structure established in 1974 is inadequate and out of date. It is recommended that the city place a charge on various functions of the parks, such as participation in ball leagues, entrance to the zoo, swimming in the lake, and entrance to the city-supported museums. Even a nominal fee would help to offset the expense to the city. The team feels that the city should thoroughly evaluate the costs incurred from each activity and establish a realistic and reasonable fee schedule that will generate income to offset some of the expenses incurred. The \$475 received in FY 1997 is unacceptable. A gradual phasing in of fees starting with a target of approximately \$15,000 for the first year (10% of the recreation budget) and increasing to approximately 30% of the recreation budget, keeping in mind the economically depressed state of the local economy.

Revenue Enhancement: \$15,000

The department is assigned two vehicles, one van used by the director and a pickup truck used by the zoo. The team was able to locate vehicle maintenance records for the pickup truck. However, there was no record of the director's vehicle being serviced, either by city employees or an outside vendor. Further, one team member, when given a tour of the park facilities, noted the interior of the van was strewn with trash and debris unrelated to the function of the vehicle.

Recommendation:

A municipal vehicle is a tool to be utilized in the performance of one's job function. As discussed under the public works portion of this report, the city should ensure that all vehicles are properly maintained and serviced. The operator of the vehicle and department head where the vehicle is assigned should be held accountable for keeping the vehicle maintained, neat, clean and free of debris. The appropriate service records must be maintained.

RECREATION AND CONSERVATION PLAN

As touched upon earlier, many of the brochures advertising Bridgeton boast that the city has some 1,100 acres of park land. The Green Acres open space inventory however, indicates that the city owns 622.76 acres of park land. Although questioned extensively, no one in the city could explain the variation in acreage. According to the city engineering aide, however, the school complex that backs up to the park was once part of the city's park system, which could account for a portion of the difference.

The city's master plan calls for furthering the city's conservation and park purposes. According to the inventory of open space, approximately 168.83 of the acres are in Hopewell Township and 69 acres are located in Upper Deerfield Township for a total of 237.83 acres located outside the city limits. The remaining park acres in the city, therefore, deriving no property tax dollars, totals 384.93, or approximately 10% of the total landmass located within the city limits. A city owning acreage outside of its boundaries and utilizing those acres as part of its park system is uncommon.

According to the staff of the Green Acres Trust Program there are a few different calculations that have been used in the past to determine the appropriate amount of park and open space within a municipality. The first method, which is addressed in New Jersey's Common Ground, a summary of the 1994-1999 New Jersey Open Space and

Outdoor Recreation Plan, provides a guideline for municipal level park and recreation space to be three percent of the developed and developable land. Not all of the land in Bridgeton is developable, as noted in the city's Master Plan. The report notes that the guidelines are a means of estimating the amount of recreation land that should be set aside and represent recommended minimum numbers.

The second method used by professionals in the industry is to use the figure of seven to eight acres of recreation space for every 1,000 residents. If there were eight acres of parkland for every 1,000 residents in Bridgeton, the city would have only 152 acres of park and recreation space. In total, the city exceeds the eight acres per thousand benchmark by 470.76 acres or 25 acres per thousand residents.

According to New Jersey's Common Ground, there is a total of 1,688 acres of recreation open space in Cumberland County. The city owns and/or maintains 622.76 acres, or 37%, of the total recreation open space in the county.

Because Bridgeton is an urban aide city, it qualifies for Green Acres project funds consisting of half loan, at an interest rate of 2%, and half grant. Currently, the city is committed to repay \$1,204,220 to the Green Acres Trust for five projects. Four of those projects, or \$1,026,000 of the loan obligation, were contracted during 1998, and according to staff of the Green Acres Trust, the city has not yet drawn down any of those funds.

Project	Not Drawn Down	Current Outstanding
Cohansey Zoo		\$178,220
Cohansey Riverfront	\$112,500	\$112,500
Rivers Edge Park	\$78,500	\$78,500
Cohansey Riverfront Dev	\$800,000	\$800,000
Cohansey Riverfront Add	\$35,000	\$35,000
Total	\$1,026,000	\$1,204,220

Recommendation:

While the team recognizes the importance that open space holds with the community, it is recommended the city evaluate the need to commit to an additional \$1,026,000 loan plus interest of \$199,551 totaling \$1,225,551 for the purchase and development of additional park land. As already discussed, the city is 7% above the established guideline of park and recreation space, and possesses 37% of the total recreation open space in Cumberland County. The city should consider the effect the repayment of the additional loan amounts will have on the tax rate, at the same time the municipality is eliminating the possibility of any of those properties producing tax revenue. The cost of maintenance of the properties will be an additional drain on the city staff resources.

**Cost Avoidance: \$1,225,551
(Over the life of the loan)**

The team contacted the tax assessors of Hopewell and Upper Deerfield Townships to determine the property values of parcels owned by the city. The current approximate value of properties owned in Hopewell Township is listed as \$804,124; \$1,896 for the Mary Elmer Lake and \$337,550 for property surrounding the lake plus \$464,679 for property at Sunset Lake. Sunset Lake is a maintained and staffed as a swimming area, park, picnic and amphitheater facility by the city. Mary Elmer Lake is no longer staffed by the city for swimming but the property is maintained as a picnic and park facility. It is stocked by the state and is the site of the annual Kid's Fishing Derby sponsored by the county recreation commission.

Property owned in Upper Deerfield is half of Sunset Lake and land to the south of the lake. One of the parcels is mostly underwater and is assessed at \$35,455. The other parcel of land, which lies south of the lake, is wooded and assessed at \$95,590.

The city clerk did not have copies of the deeds of the Hopewell and Upper Deerfield properties. The team met with the city engineering aide to review the constraints built into the available deeds and purchase agreements for the property held by Bridgeton. One of the properties appeared to have no restrictions while the other did have some contingencies, such as naming the lake after the benefactor, Mary Elmer, and using the property for public purposes.

Recommendation:

It is recommended the city consider divesting itself of the parcels of property which are outside of the city-limits. Because all of the properties are listed on the Green Acres inventory and Green Acres funds were used for some of the improvements on the property, Green Acres Trust Fund approval is needed prior to any sale. The city should initiate discussions with Green Acres staff to consider the public good of selling the lake properties to a conservation group or the county for use by the county recreation commission. The city should also seek legal counsel regarding the potential restrictions on the property. Revenue received would vary depending on the property sold, but could be as much as \$935,169, the current assessment placed on these properties. However, the team, in an effort to not overstate potential income, will conservatively estimate this amount at one third of the assessed value. This would result in a one-time revenue enhancement of approximately \$311,723.

Revenue Enhancement: \$311,723

The city currently provides for swimming facilities and maintains a beachfront at Sunset Lake. As with all other areas of recreation, there are no verifiable estimates of participation available indicating the number of visitors which use the facility annually. The director noted, however, that the beach gets very crowded, particularly on weekends and holidays. The cost of providing lifeguards for the beach was \$19,798 for FY 1997 and staff of the Department of Public Works maintained the facility. It should be noted that, based upon interviews conducted, the team has every reason to believe that many of those that use the beach may not be residents of Bridgeton. However, the costs associated with the beach are borne entirely by Bridgeton residents. Consequently, the team considered the practice of instituting a beach fee in an effort to defer the cost of maintaining the facility. A neighboring community collected a total of \$5,600 the first year a beach fee was instituted. While this did not offset the cost of maintaining that beach, it did exceed the cost of collection and provided an income stream.

Recommendation:

Selling the property for use by the county recreation commission would save the city an additional \$19,798 by eliminating the need to have lifeguards funded by the city, and would save Bridgeton the substantial maintenance and liability costs involved. An alternative to selling the property would be to have the county recreation commission provide the funds for lifeguards and maintenance, since many of the participants are residents of other parts of the county. CDBG funds are \$5,000 of the savings; therefore, those funds can be put back into the housing programs addressed under the development section of this report. Notwithstanding any of the above, the city could institute a beach fee program of \$10 per season per person. Based upon the experience of a neighboring community the city could conservatively realize an income of \$7,000 per season considering the usage represented by the director of recreation. Should this option be chosen, it is anticipated that a variety of summer youth programs would take advantage of the beach and group sales would be possible. Since both the transfer of cost and the revenue enhancement cannot be realized by the city at the same time, for purposes of this report we will list the financial advantage to the city in the executive summary as a conservative combination of the items listed below totaling \$6,399.

Cost Savings (through sale): \$12,798

Productivity Enhancement: \$5,000

(Through reallocation of CDBG Funds)
Revenue Enhancement (Beach Fee Alternative): \$7,000

COHANZICK ZOO

Overview/Staffing

The city owns and operates the Cohanzick Zoo. The ten acre zoo is located within the city park and has a variety of animals including, three rare white tigers, reindeer, black bears, alligators, a bobcat, turtles, and various species of birds. The city takes great pride in its zoo as a cultural, educational and recreation area for its residents. The city owns all of the animals in the zoo, with the exception of the white tigers, which are on loan to the city until 2001. There is no admission charged for the zoo for either city residents or visitors to the city.

During FY 1997, there were five full-time and two part-time employees. Total position value, which includes salary and wages, health and life insurance coverage, Social Security and Medicare, was \$188,748. The former curator, who headed the daily operations of the zoo and oversaw the implementation of the Master Plan since early 1995, resigned to take a position elsewhere during the course of the review. The supervising animal keeper filled the position. As far as city staff reporting is concerned, the zoo curator reports to the director of recreation and public affairs.

The city created the Cohanzick Zoological Society as a private not-for-profit organization. The society is active in the daily activities of the zoo and in the implementation of the zoo's master plan. The team got the sense that the society and the zoo staff work well together and all were very committed to furthering the accomplishments and efforts of the zoo.

The full-time senior clerk typist for the zoo also performs clerical functions for the Zoological Society. According to the former curator and president of the zoological society, those functions are performed during regular work hours while she is on the city payroll. She is compensated \$6,000 annually by the society for the additional work, in addition to her regular city salary.

Recommendations:

The team recommends that the city discontinue the practice of allowing staff to perform functions for non-profit organizations while on city work time. It is not relevant whether the non-profit pays a wage to the employee or not. The team acknowledges that the zoo and, therefore, the city receive a benefit in this case. However, public employees should never be placed in a position to work on anything on city time that has to do with a non-profit which could create even the appearance of a conflict of interest. The team further suggests the city attorney be asked to review the matter to avoid any potential conflicts in the future.

The city should reassess the need to have a full time senior clerk typist if there is sufficient time for that staff member to also work for the society. The FY 1997 base salary of the senior clerk typist was \$16,925 making the \$6,000 (total remuneration \$22,925) equivalent to 35% of the staff member's time. Therefore, the current arrangement is that the city, and therefore the taxpayers, are paying for full time services but receiving only 65% of work they are paying for.

Productivity Enhancement: \$6,000

As with other recreation and public affair functions, there is no reliable mechanism in place to calculate the number of visitors to the zoo. The estimated number of visitors varied, depending on whom the team spoke with. The director noted that he felt there were between 50,000 to 100,000 visitors per year; the curator noted the number of visitors ranged between 25,000 and 50,000. This wide disparity in estimates obviously reflects the need for a reliable means for counting visitors. Everyone interviewed agreed, however, that the attendance has increased about twofold since the white tiger exhibit came to the city.

Recommendation:

As mentioned earlier, it is essential that the city develop a reliable method to accurately record attendance at all recreational functions, including the zoo. The most reliable would be a form of electronic counter. This type of device is relatively inexpensive, and easy to install.

Financial

The zoo is treated as a separate line item in the city's budget. The FY 1998 budget reflects \$158,259 in salary and wages along with other expenses of \$57,953 for a total cost to the city of \$216,212. There are also some not so obvious costs associated with the zoo. These include \$20,000 provided by the county and treated separately in the budget as a nondescript income and expense item. Utilities and insurance are also funded by the city as well as services provided by the department of public works.

Recommendation:

The county contribution should be included in the zoo's other expenses appropriation to more clearly represent actual zoo expenditures.

As discussed, the city is also repaying a Green Acres loan for the improvement projects the zoo is undergoing. The current outstanding loan amount \$178,220.

Donation boxes have been placed in a variety of locations at the zoo. However, the Zoological Society, and not the city, receive all donations placed in these boxes. The curator and the president of the society confirmed this. It was the team's observation that the boxes, while located in high traffic areas, tended to blend in with the surroundings and were not designed or situated to draw attention. The society indicated it uses the funds to assist with special exhibits, zoo enhancements and activities. The team was advised that about \$4,000 in donations were received from this source during FY 1997.

Recommendation:

It is recommended that the donation boxes be placed in areas that are high visibility and are clearly marked. Donations received from the public intended for use at the zoo should be received and accounted for by the city. The disposition of these funds at the zoo should be under the direction of the governing body. This would include disbursing donations to the society.

Revenue Enhancement: \$4,000

Master Plan for the Future of Cohanzick Zoo

Based on discussions with city staff and the Zoological Society, a consultant prepared a zoo master plan in October, 1993. The plan calls for many physical improvements including strengthening the entrance and making the water wheel functional, building usable rest rooms, installing a perimeter fence, removing cages, constructing a bird aviary, tying into the municipal water source, widening paths so they can handle vehicular traffic, and, eventually, building a new facility for educational purposes. Many of the suggested enhancements have been completed, are in the process of construction or are planned to begin shortly. The Green Acres grant/loan is being used for the construction.

The master plan also addresses the issue of charging an admission fee. The plan notes that it is the general practice among the zoo community that admissions should be charged to the general public as a user fee and that it is rare that zoos do not charge for admission, except on special occasions. The plan further notes that only after significant improvements have been accomplished will the public accept paying an admission fee.

Recommendation:

The team recommends that the city begin charging an admission fee to the zoo now, since much of the master plan has been implemented. The annual expenses to the city for the zoo operations exceed the \$216,212

mentioned above because of the cost of electricity, water and sewer, trash collection, and parking lot sweeping. If a nominal admission fee of \$3 is established, the city could generate \$108,000 based upon a visitor count of 3,000 per month, or 100 per day on average. This estimate is very conservative and is essentially the mid point of the lowest estimate of visitors provided by the curator. If the 100,000 visitors a year estimate is accurate, the city would generate \$300,000 making the zoo self-supporting. This recommendation would be most effective if the zoo was aggressively promoted.

Revenue Enhancement: \$108,000

There are several other options the city could explore to assist in reducing the tax burden to the property taxpayers of the city for having a zoo within city limits. One solution could be to contract with a large metropolitan zoo for the management and operations of the Cohanzick Zoo. Another option would be to turn the zoo over to the Zoological Society. The society is currently involved in the operations of the zoo and in planning for the zoo's future. Under this scenario, however, it would be a prerequisite that the society be able to demonstrate its ability to generate the funds necessary to operate the facility independently, and do so within a reasonable period of time. Increased contributions from the county could certainly be explored as an additional source of revenue.

TOURIST CENTER

The Bridgeton-Cumberland Tourist Center is located in the old Bridgeton train station. The train station is owned by the city and has an assessed value of \$101,600. The city's department of economic development occupies one office and clerical space, for approximately one fifth of the floor space of the tourist center. Because the city's economic development office is located in the building, the tourist center is open to the public weekdays year round and between April and September it is open seven days a week.

The city provides indirect funds to the center in a variety of ways. The clerk assigned to the economic development office staffs the center between 2:00 p.m. and 4:30 p.m. each weekday. During that period she is generally alone in the center and is responsible for answering the telephone and assisting anyone who comes into the center. Her 1997 salary was split between economic development (60%) and recreation and public affairs (40%). During 1997, \$14,058 was charged against economic development while recreation and public affairs contributed \$9,373 for a total of \$23,431. During FY 1998, the clerical position was charged totally against economic development.

Employees of the city's Department of Public Works assist in the maintenance of the grounds surrounding the center, which is predominantly a paved parking lot. The team reviewed the work sheets completed by staff of the streets and roads section of public works. Based on a sample of actual hours spent in the months of July, February and October of FY 1997, streets and roads staff spend approximately 12 hours annually working on the center with a salary and wage cost of \$779 plus Medicare and social security cost of \$60 for a total of approximately \$839.

In addition to indirect funds, the city directly provides funding to support the operations of the association. During FY 1997, \$29,500 was spent from the city's general fund and \$400 was spent from Urban Enterprise Zone (UEZ) funds. During FY 1998, the city is planning to provide \$30,000 from the general fund and \$9,563 from UEZ. The UEZ funds are being spent on a \$30,000 promotion project, which includes a part time marketing person, purchase of a computer and brochure rack, and creation of a video brochure and printed brochure. According to the association's financial statements for FY 1997, the association's only source of revenue was the city. This type of arrangement of the city providing the only source of funds to a semi private organization that then hires personnel to staff a public building leads one to speculate on the intent of this arrangement. In effect, the city is providing the means to hire additional personnel without directly placing them on the municipal payroll.

The following is an estimate of funds spent by the city during FY 1997 in support of the association and the tourist center:

FY 1997	
City Funds	Amount
Clerical support S&W	\$9372.00
DPW S&W	\$ 839.00
General Fund	\$ 29,500.00
UEZ	\$400.00
Loss of property taxes	\$1,137.00
Total Cost to City	\$41,248.00

Recommendation:

The team recognizes that the city has traditionally considered tourism to be one of its main industries. However, as with the many other autonomous boards, the city is providing property tax dollars to a function that it has limited, if any, control over and is allowing municipal employees to assist a non-profit organization during regular work hours. It is recommended that the city endeavor to develop a joint partnership with Cumberland County and the Bridgeton-Cumberland Tourist Association so that the costs can be fairly and equitably distributed. The city can continue to allow the association to use the building, at no cost, but no longer provide staff coverage, or funding and remove all staff from the building. It would seem a natural fit for the Tourism Advisory Council of Cumberland County to be located in the building. In return for the free space, the county could maintain the facility and provide the operating expenses needed by the association. Alternatively, the city could continue to own the building, lease it to the county or transfer title to the county on the condition that it be utilized as an information center. Under either scenario, staff for the city's economic development function should be moved into the City Hall Annex as part of the larger consolidation of development functions discussed in the development section of this report. It is the team's position that economic development functions and the city would be better served by locating the economic development office in city hall. Most individuals and companies that require assistance with economic development would expect to find that function in city hall. Notwithstanding the above, the team explicitly recommends that the city review its present arrangement with the association, as well as the proposed modifications to those arrangements, in consultation with the appropriate legal counsel.

Cost Savings: \$39,712

PUBLIC LIBRARY

ORGANIZATION/STAFFING

The Bridgeton Free Public Library is located across the street from the municipal building and annex. The origins of the library can be traced back to 1811 when private citizens organized a reading room in Bridgeton as the first library established in Cumberland County. In 1901, the Bridgeton Library Association was established and the Cumberland Bank Building was purchased for \$500. In January of 1923, the association was replaced when the free public library was created. The bank building still stands as the cornerstone of the library around which there have been various additions and alterations to the facility. The most recent, a large, two floor addition, was constructed in 1967, and now houses the main library area, the George Woodruff Indian Museum, and public

meeting space. The library is within a short walking distance from the downtown area and a senior citizen high-rise. The library prides itself on being a “popular reading library” and on its children’s collection and programs.

The Cumberland County Library is located on the border of Bridgeton and Fairfield Township. Because of the county library’s proximity to the Bridgeton Library, the team spoke with the Bridgeton High School Resource Center director, the county librarian and the Bridgeton City Board of Education representative on the Board of Trustees. The theme of the interviews was consistent; all interviewed expressed an opinion that the county library and the city library served two different unique purposes in the community. While the county library has an extensive reference collection, it does not have a substantial popular reading selection or children’s’ selection. The Bridgeton Library is often the library of choice for children and senior citizens. Also, the Bridgeton Library is more conveniently located for many residents of Bridgeton. The cooperative efforts between the municipal and county library are discussed under the Best Practices portion of this report.

In practice, the library, under the direction of the Library Board of Trustees, operates as a semi-autonomous entity from the municipal government, performs its own purchasing, contracting, banking, investing and budget functions. The payroll functions are performed centrally by the municipality as a service to the library. During FY 1997, the library had 14 full-time and part-time employees, 13 of which were on the municipal payroll and one was paid for out of the county work training program. Due to resignations, the library staff has since been reduced to nine employees. The director is anticipating the resignation of two additional staff members during fiscal 1998.

The George Woodruff Indian Museum, which was donated to the library in the mid - 1970s, is housed in a separate, secure room in the basement of the main building. The museum contains over 20,000 artifacts related to the Lenni-Lenape Tribe. The museum is boasted to be one of the largest and finest collections of its type in New Jersey. Because of the value of the collection, a library staff member must accompany visitors while in the museum. The director estimates the children’s services coordinator spends approximately two hours per week (for an approximate FY 1997 position value of \$1,783) and the security guard about three hours per week (for an approximate FY 1997 position value of \$1,251) providing access to the museum. In addition, utilities and cleaning costs are paid entirely from the library funding sources. The library director is not aware of any restrictions placed on the donation of the museum that would preclude an admission charge. Library records indicate that 250 adults and 439 children visited the museum during FY 1997.

Recommendations:

Donations for the maintenance of the museum could be aggressively solicited by the board and staff along with a donation box placed in the museum and the entrance to the library. If only \$1,500 could be raised it would be sufficient to offset approximately 50% of the staff security costs. A nominal fee could be instituted for admission that could supplement donations.

Revenue Enhancement: \$1,500

Installation of security camera(s), monitor, and VCR would alleviate the need for a staff member to be with a patron while in the museum. The monitor can be placed in a prominent spot at the circulation desk so that patrons will know they are being observed and staff can view the cameras while assisting other patrons. These systems are available at very reasonable cost levels and the VCR would only have to be turned on when patrons are present.

Value Added Expense: \$1,000

Productivity Enhancement: \$3,034

PATRONAGE AND CIRCULATION

Generally, the library is open a total of 62 hours per week, 9:00 a.m. until 9:00 p.m. Monday through Thursday, Friday 9:00 a.m. until 5:00 p.m. and Saturday 10:00 a.m. until 4:00 p.m. During the summer months, the library is open 9:00 a.m. until 1:00 p.m. on Saturdays. The team observed the library at various times during operating hours. There were always several people browsing the stacks, using the computers and speaking with staff.

According to the 1996 New Jersey Public Library Statistics and Analysis, the library owns 67,014 volumes or 3.52 volumes per capita. The comparative data indicates that the average number of volumes held for libraries with similar expenditures and serving similar populations was 76,970 and 41,490 respectively. Each volume circulated .7 times and the per capita circulation rate was 2.6. By comparison, the per capita circulation rate for the Millville and Vineland Libraries, the other two substantial municipal libraries within Cumberland County, were 2.3 and 3.8.

The library has a current written patron policy, meeting space use policy, and materials selection policy available for public review. In addition, there is a written personnel policy manual and the Board of Trustees has current by-laws.

The library also sponsors several programs throughout the year, which are generally well attended. During FY 1997, the library sponsored 193 programs and hosted 69 community-sponsored programs with approximately 4,090 attendees.

FINANCIAL

The library operates with funds provided by the municipality, the state, private donations, grants, fines, fees, and interest income. A review of the audited financial statements for the library indicates the municipal allocation for the library has been \$199,500 for the last three fiscal years. During the same three-year period, library staff got salary increases consistent with other municipal employees. Because the salaries have increased while the allocation did not, funds available for discretionary spending has shrunk. Efforts have been made to provide the same level of services and materials at reduced cost. Data contained in the New Jersey Public Library Statistics annual reports indicates that expenditures for both salary, wages and benefits and for materials as a percent of total expenditures has decreased by two percent cumulative over the last six years.

According to budget reports prepared by library staff and provided to the library board of trustees, total revenue of the library for FY 1997 was \$273,815 and expenditures were \$263,964. The library pays its own operating costs from its municipal allocation, including salary and wages, utilities, cleaning, light maintenance, postage, and supplies. However, according to the librarian the cost of health and life insurance, prescription benefits, pension, social security, and Medicare is not included in the allocation. The additional cost to the municipality for those direct benefits for FY 1997 was \$65,912. The library FY 1997 budget report indicates that \$167,883 was expended on salaries and wages, making the total salary, wage and benefit costs \$240,582. With the exception of public officials' insurance, the library is carried under the city's self insurance and umbrella policies. The library paid \$378 during FY 1997 for the public officials' policy.

Although it appears in the city budget that the city provided an allocation of \$199,500 for maintenance of the free public library during FY 1997, the city actually provided \$240,582, as detailed above. The state-mandated 1/3 mil contribution for fiscal 1997 equated to \$124,050 or \$116,532 less than the \$240,582 actually provided by the city. Although the city may wish to contribute more than the required amount of funding, the governing body should be aware of all of the library's direct funding, expenditures and associated costs before determining the city's level of annual contribution. It should also be noted that N.J.S.A. 40:54-8 provides that to the extent that the governing body makes additional funds available in excess of the amount of the 1/3 mill requirement, that the city council would have the authority to determine the purposes for which such additional funds would be expended. This authority would not extend to the expenditures made from the amount required to be raised under the 1/3 of a mill requirement. However, it should be cautioned that a substantial reduction in the municipality's support to the library could result in a proportionate decrease in programs and activities.

The library received \$5,144 in donations during FY 1997. In addition, the library has two substantial endowment accounts. The first, with a closing FY 1997 balance of \$75,893, is the "building" account. Bequests and donations to the library in excess of \$2,500 are put into this account and are used toward maintenance of the building. At a recent meeting the Board of Trustees agreed to use funds from this account for badly needed roof repairs. The second account, the Helen Bailey Memorial Fund, had a closing FY 1997 balance of \$104,420. Funds from this

account are used to purchase equipment and items for the library of a lasting nature, such as a shelving cart. The Board of Trustees is also considering using funds from this account for implementation of a 1994 Master Plan that calls for reconstruction of the interior of the building to make it more user friendly and adaptable for current technology. The Board of Trustees is commended for using these funds rather than relying on municipal funds to maintain the facility.

The library also loans and rents videos. Popular movie length videos are rented for \$1 for two days rentals, videos less than 40 minutes are rented for \$.50, and videos of an instructional nature are loaned for free. During FY 1997, the library collected \$2,626 for video rentals.

In a move to curtail expenditures, the library director is currently considering the possibility of delaying the opening of the library one-hour each day. Although staff hours would not be reduced initially, as staff leave the hours of replacement staff would be adjusted accordingly. The delayed opening of the library could save the library approximately \$245 for heating costs and \$936 in electricity annually, based on FY 1997 utility costs, plus some marginal costs. Reducing hours of operation by one hour per day would reduce the number of hours the library is open to 57.

Recommendation:

Data contained in the New Jersey Public Library Statistics report for 1996 indicates that the Cumberland County Library, Millville Library, and Vineland Library are open 60, 62, and 66 hours per week respectively. However, the average hours of operation for the 42 municipal libraries in the state, with roughly the same level of expenditures, is 53. The Board of Trustees is encouraged to consider the option of decreasing the hours of operation and may want to consider having the library close one hour earlier Monday through Thursday, at 8:00 p.m. rather than the current 9:00 p.m. By opening the library one-hour later, and closing the library one hour earlier, the library could save an annual total of \$440 in heat and \$1,685 in electricity costs, based on FY 1997 expenses. The reduction of the nine hours would also make the hours open consistent with libraries with similar expenditures.

Cost Savings: \$2,125

See section on Best Practices regarding the cooperative efforts between libraries in Cumberland County.

COURT

While the team recognizes the separate authority and responsibility of the judicial branch of government, we have made the following comments and recommendations in an effort to provide the community with information on current and potential operations, procedures and programs available to the court. Recommendations are made with the knowledge that further review and approval will be required by appropriate judicial personnel.

ORGANIZATION/STAFFING

The municipal court and the court administrative offices are located on the third floor of the City Hall building, the same building that houses the police department and council chambers. The team observed several court sessions during the course of this review and it appeared that the courtroom was large enough to handle all of those in attendance. There are generally ten court sessions a month: one night session a week, alternating between Monday and Tuesday; every Thursday afternoon; and two special sessions. The presiding judge oversees all sessions except for the Tuesday evening sessions, which are considered the "conflict" sessions.

During FY 1997, the administrator and three deputy administrators staffed the office, although two of the deputies resigned their positions during the course of the year (97) and the administrator was on two separate extended sick leaves. The staffing shortage was further aggravated when the remaining staff was required to use their vacation days during the last two calendar months of 1997. This resulted in a significant backlog, which will be discussed later under case management.

The staffing shortage has been addressed in FY 1998, with the transfer of two staff to the court office, plus an additional hire, making the total staff composition four deputy administrators in addition to the administrator. According to the administrator, it was a past practice of the court to have staff in deputy administrator titles rather than lower titles. The administrator also believes that four staff positions are necessary to remain current with the workload. However, the deputy administrator civil service job specification indicates that staff in those positions typically assists the court administrator in all, or most, phases of overall activities of the municipal court. It further specifies that staff, in positions whose functions are generally restricted to the performance of only a limited number of court processes or to the performance of routine clerical tasks, should not be classified under the deputy title. Also, by statute, the deputy title holds very specific responsibilities. Two deputy administrators attend every court session, one assists the judge and the second operates the recording equipment. In addition, the court administrator is available during sessions to assist and a deputy staffs the payment window.

The court administrator and the chief judge both indicated that they feel salaries paid to deputy administrators are low in relation to surrounding municipalities and directly affected the high staff turnover experienced in FY 1997. The city's FY 1997 salary ordinance set the minimum salary for a deputy administrator at \$11,249 and the maximum at \$23,606. For FY 1997, the base salaries for the three deputy administrators were \$11,249, \$12,638, and \$23,181.

The team reviewed the salary ranges, as detailed in the salary ordinances, for the cities of Millville and Vineland. It should be noted that neither of the comparison cities use the deputy administrator title for all staff, rather several court-related titles are utilized. By comparison, the range for deputy administrator position for Millville was between \$32,059 and \$33,101 with lower titled jobs in the court administration office beginning at \$29,136. The range for the deputy position in Vineland was between \$18,573 and \$30,262 and lower level titles started at \$15,372. It appears that, even by adding the overtime paid to the deputy administrators during FY 1997, the total paid is lower than neighboring municipalities. Base salaries are also relatively low in relation to other titles used in Bridgeton requiring similar experience. Comparable titles tend to range between \$20,727 and \$21,998. The administrator's base salary, however, is comparable to the other cities.

Recommendation:

The team recommends the city contact the vicinage assignment judge and request an evaluation of current staffing of the court administration office. The utilization of the deputy court administrator title suggests that all staff within the office are in supervisory titles and performing specific functions outlined in New Jersey Department of Personnel Specifications. However, under the current organization there is no one for the deputy administrators to supervise and, it appears, they are not all performing responsibilities appropriate for the deputy administrator title. In fact, there is a large amount of clerical work that must be routinely performed by the staff. Therefore, the titles being used are not reflective of the actual work being performed.

As a comparison, the team compared the Bridgeton court staff titles to that of other municipal courts in the area. It appears that more appropriate organization of staff positions, which should be sufficient to complete all responsibilities, provided adequate training is accomplished, would be a court administrator, one deputy administrator, one violations clerk, and two assistant violations clerks, one of which should be bilingual. The reconfiguration would better define the responsibilities of the staff. The bilingual violations clerk could assist Spanish speaking people at the payment window and attend all court sessions that require bilingual interpretative services. This would nearly eliminate the need to pay an outside translator which cost taxpayers \$7,488 during FY 1997. The team feels that a reduction of at least \$6,365 (85% of FY 1997) could be accomplished by utilizing a bilingual assistant violations clerk. The AOC has a directive setting standards for appointing and selecting interpreters that should be consulted prior to initiating a search for appropriate staff. The proposed table of organization is found in Appendix F.

Cost Savings: \$6,365

As discussed, the team reviewed the salaries of court administrative personnel in neighboring municipalities and found that, generally, the city's court staff is lower paid. The following chart provides salary information for current titles compared to appropriate, competitive salaries suitable for the recommended titles.

Current Title	FY 1998 Base Salary	Comparable Salary	Recommended Title
Court Administrator	\$ 29,979	\$ 29,979	Court Administrator
Deputy Court Admin.	23,905	23,905	Deputy Court Admin.
Deputy Court Admin.	15,600	18,251	Violations Clerk
Deputy Court Admin.	14,600	15,776	Asst. Violations Clerk
Deputy Court Admin.	14,000	15,776	Asst. Violations Clerk- Bilingual
Total Current	\$ 98,084	\$ 103,687	Total Proposed

Recommendation:

In order to attract and retain qualified staff for the position(s), the city may wish to reconsider the base salaries for court staff. The cost of base salaries, if the proposed table were implemented, would be \$103,687. At the current configuration, the FY 1998 base salary cost for court personnel is \$98,084.

Value Added Expense: \$5,603

The court administrator noted that the new staff has not yet been thoroughly trained on court operations and on the use of the Automated Traffic System (ATS) and Automated Compliant System (ACS). The AOC offers free training courses for new court administration staff. During the course of the review, when the team attempted to get some statistical ATS/ACS data from the most senior deputy administrator, we were informed that no one had system authority to generate those reports other than the administrator. This is an extremely inefficient situation.

Recommendation:

The chief judge and court administrator should ensure that appropriate staff are fully trained and are able to perform needed functions. In addition, the staff should be cross-trained. All staff should have access to the ATS/ACS, particularly the deputy administrator, who is in charge during the absence of the administrator. Implementation of the proposed table of organization would assist in the training efforts by reducing to one the staff member which needs to be fully operational in the court administrator's responsibilities.

According to the court administrator, 98% of the cases are scheduled to accommodate the police officers work schedule, therefore, reducing the need for police department overtime. Also, the presence of the uniformed police officers serves as security during sessions. Of the sessions attended, the team observed one night session and one day session when there were four uniformed police officers in attendance, although both the administrator and deputy administrator noted that it is unusual to have that many police officers in attendance, and, therefore, not performing their normal patrol duties. According to the court administrator, the uniformed officers are taken off of patrol during the time they are needed in court. A review of a police department time sheet indicates there are 37 patrolmen assigned to the uniform division platoons and community policing. The size of the platoons ranged from five to seven patrolmen. Four police officers would equate to between 57% and 80% percent of the shift officers respectively. The city does not maintain reports of police attendance at court sessions, therefore, it is difficult to determine the exact cost to the city. The average position value per officer is \$51,824 or \$25 per hour. The position value cost to the city of having four police officers present during a standard court session of four hours is approximately \$400, and could be as much as \$48,000 per year for ten sessions a month. Even having two uniformed police officers present during each session could potentially cost the city \$24,000 in lost productive time (protection) to the taxpayer.

Recommendations:

While the team understands that the scheduling of the docket is a judicial matter and that the docket should never be scheduled in such a way as to affect due justice, where possible, efforts can be made to schedule each police officer's required appearances in a block of time. As an officer's block of cases approaches, the judge could request staff, in conjunction with appropriate police supervisory personnel, call the police officer in from patrol. In this way, the police department will know approximately when their officers will not be available for patrol in advance and the officers will be readily available for the court sessions at minimal expense. Based on the same assumptions, as above, the cost of having one officer in court at a time would be \$12,000.

Productivity Enhancement: \$36,000

Further, the court administrator indicated that the police officers provide security for the sessions rather than a bailiff. The city should not rely on officers to provide security while waiting for their case to be heard. It is recommended the city consider engaging a special law enforcement officer to be the part time bailiff for all court sessions at an estimated cost of \$7.50 per hour. Assuming the bailiff arrives at court one half hour prior to the start of the session and remains for one half hour after court adjourns, the cost per session would be about \$37.50. If there were ten sessions per month, the salary and wage cost would be \$4,500 plus payroll taxes of approximately \$344 per year.

Value Added Expense: \$4,844

FINANCIAL INFORMATION

According to the FY 1998 city budget, total revenues collected during FY 1997 were \$338,759 and were deposited into the city's general fund. The expenses associated with the court included \$138,411 for salary and wages and \$10,614 for social security and Medicare. In addition, other expenses listed in the FY 1998 budget of \$69,336 included \$30,344 for life, health and prescription plan insurance, \$7,488 for translator services, \$2,625 for public defender services and \$3,925 for the "conflict" judge. The current chief judge was appointed by the city in February of 1993. The judge was compensated \$30,000 for FY 1997, plus direct benefits of \$11,498, including health benefits, and gets no additional compensation for extra sessions or being on call. The judge who presides over the Tuesday night "conflict" sessions is paid \$225 per session and received a total of \$3,375 for services provided during FY 1997.

The following is a summary of the fines and costs collected by the municipal court for the last four fiscal years:

Fiscal Year	FY 1997	FY 1996	FY 1995	FY 1994
Fines and Costs	\$338,760	\$366,869	\$320,721	\$311,990

According to the chief financial officer, of the \$138,411 for FY 1997 salary and wages, \$23,251, or 17%, was for overtime and on-call pay. To assist the police department in preparation of complaints, municipal court staff are paid time and a half, in minimum increments of an hour, for time spent while off of work to type complaints, usually for domestic violence or violation of restraining orders. Court staff are also called upon to determine probable cause, determine whether to issue a warrant or summons and to determine bail. A review of the FY 1997 time sheets indicates that the court administrator was paid for 585 hours of on call time, while subordinates were paid for 217 hours of on call time. According to AOC, staff however, and as a result of this review, they have been advised that municipal court staff very recently stopped assisting the police department with typing responsibilities.

The overtime and on-call time paid for FY 1998 through May 27, 1998 totaled \$34,412. However, according to the chief financial officer, the amount being used dropped and the bulk of the \$34,412 was for the first nine months of the fiscal year. According to FY 1998 overtime reports generated December 23, 1997 and May 27, 1998 from payroll records, total hours of paid overtime, including on-call time, for FY 1998 is 2,048.

Recommendation:

The city should review the policy of having court staff called during the evening and morning hours to type warrants and summons and assist the police with filing domestic violence complaints. These duties are performed from the staff member's home. Contact should be made directly with the judge if there are any questions regarding bail or any particular circumstances. Establishment of a bail schedule, direct contact with the judge when clarification is needed, and requiring the police type the warrants and summons would eliminate the need for the bulk of on-call duty.

A plausible alternative would be for the court to adopt a "fax complaints policy" as authorized by the supreme court for instances when it is not expeditious to contact the judge. Such a procedure involves telephone contact with the administrator or deputy, faxing of the appropriate paperwork (prepared by the officer) to the administrator/deputy, and the administrator/deputy signing the paperwork and faxing it back. The morning of the next business day, the administrator/deputy can confirm all copies of the paperwork.

In addition, it appears that the court staff relies on the use of overtime to meet the challenges of managing the court. A review of the FY 1997 time sheets indicates that staff routinely works overtime on the evenings of court sessions, usually about four and a half hours an evening for all four staff.

Recommendation:

While the team understands the need to staff the court office during court sessions, it is not necessary for all staff to be present during each evening court session. It is recommended that the court administrator consider staggering staff start time on days of evening sessions. Maximum staffing should include the assistant violations clerk-bilingual to operate the recording machine, maintain the recording log, enter pleas into the terminal at the bench and assist the judge, as needed, and one person to staff the payment window. Generally, pleas are entered in the beginning of the session, when it is not necessary to maintain a detailed log and, during trials, when the log is critical, there is little to enter into the terminal. In order for this recommendation to work the court would need to obtain a computer terminal, available free of charge, from the AOC to assist at the bench during court sessions. According to the court administrator, the courtroom was wired for a terminal in 1991 when the city first went on-line for traffic violations but a terminal had never been installed. The cost of overtime and on-call time for FY 1997 was \$23,251 and for FY 1998 through May only was \$34,412. While it may be unrealistic to expect that all overtime could be eliminated, the team feels that a reduction of two thirds is attainable through creative scheduling methods and proper planning.

Cost Savings: \$22,700

CASE MANAGEMENT

The municipality relies on the ATS and ACS for tracking of all court related matters. In addition, original documentation is maintained for all time payments. Based on reports court staff had available, the team compiled an analysis of court activity for October, 1997 through April, 1998. The average of the traffic cases disposed versus cases added during the seven month period was 112% and criminal was 102%. The average number of cases pending at the end of the month versus beginning of the month was 98% for traffic and 100% for criminal.

During the interview process, the court administrator noted that the court was behind on work because of the staffing shortage. During the period of time in FY 1997 when the court was severely short staffed, priority was given to staffing court sessions, keeping the payment window operational and updating ATS/ACS based on the judge's rulings. Warrants and failure to appear notices were not issued during the staffing shortage nor were adequate records maintained of the ticket books, which the court had been cited for on annual audits. According to the court administrator, the staff is now current on most work, with the exception of time payments. The over 102% and 112% clearance rates would indicate staff is at least clearing as many violations as are being issued.

Although the ATS/ACS has the capacity to generate reports of outstanding time payments, the court administrator is more comfortable using a manual process. As of April, 1998, the City of Bridgeton had \$2,174,830 outstanding in time payments for traffic offenses, and \$1,555,663 outstanding for criminal complaints, making the total combined outstanding time payments \$3,730,493. Total outstanding time payments in Bridgeton have grown \$220,869 between November 1997 and April 1998. Total collections for April totaled \$47,815 or 1.3% of total outstanding fines and fees. The average monthly collection over the last six months has been \$44,355. The team contacted the court administrative staff in other cities within Cumberland County to obtain comparable data for the month of April. By comparison, one of the cities had a total outstanding of \$3,257,558 and a collection rate of 3.2%. The other city had \$2,613,260 outstanding and a collection rate of 2.5%.

Recommendation:

It is recommended, because of the cumulative \$3,730,493 in outstanding time payments, that court personnel utilize a variety of methods to handle delinquencies and the granting of time payments. One method would be for the court personnel to take advantage of edits available in ACS/ATS to flag late time payments, issue corresponding warning letters and authorize the state to suspend licenses. Implementing such a system would eliminate the need for the court administrative staff to manually go through each case record to determine who is in violation of the judge's order regarding time payments. In addition, if someone is found to be a delinquent payer, the judge could commit the individual to serve jail time and/or have the person pay off the amount due in jail time or community service. A periodic review should be conducted and a consistent policy established and followed. Increasing the collection from 1.3% to 2.6% would increase revenue by \$532,260 annualized. Of this amount approximately \$292,743 would remain with the municipality as an enhancement to revenue based upon past experience.

Revenue Enhancement: \$292,743

Notwithstanding the above, an outside collection agency could be utilized in an effort to reduce the amount owed the city. Several considerations must be thought through prior to determining the practicality of utilizing a collection agency, including that the fee charged by the agency will come entirely out of the portion of the collections that the municipality retains. In addition, the city can expect an increased time demand on staff as collection agency efforts solicit increased contacts from the public. The AOC is currently piloting a program utilizing collection agency services. The city should contact AOC to discuss the practicality of participating in that pilot program.

PUBLIC DEFENDER/PROSECUTOR SERVICES

Assistant municipal attorneys on staff of the city's law department provide the services of the prosecutor and primary public defender. Most recently, the cost of those staff positions totaled \$22,607. In cases where there is a conflict for the public defender, local attorneys are compensated \$75 per case for public defender services. The amount charged the defendant varies, generally between \$100 and \$200, and is determined by the judge based on financial need. During FY 1997, the on-staff attorney serving as the public defender was paid \$8,000 and the outside attorneys were paid \$2,625.

Recommendation:

The city is advised that an opinion has been issued by the New Jersey Advisory Committee on Professional Ethics, which concludes that a municipal attorney may not represent a defendant in a criminal case where the alleged offense was committed in the municipality represented by the municipal attorney. It is recommended that the appropriate legal counsel review the arrangement outlined above as it relates to the aforementioned opinion. In light of this opinion the LGBR team is not approving or condoning the above practice.

ECONOMIC DEVELOPMENT/URBAN ENTERPRISE ZONE

Bridgeton was one of the first cities designated as an Urban Enterprise Zone (UEZ) when the program was first initiated by the state. The basic intent of the UEZ program was to establish a mechanism that would stimulate private investment, create private sector employment in a well-defined geographic area, and provide a funding source for improvements to the area that had been established. In order to generate funds, qualified retail businesses were permitted to charge one half of the standard sales tax rate that was in effect for the rest of New Jersey. The sales tax collected, which had been remitted to the state division of taxation, was then returned to the city to be used for approved economic enhancement projects on a sliding scale that gradually is reduced over time. The purpose of this concept was to essentially give retail establishments located in the older business districts of the state a small “edge” over some of the more modern regional centers. As mentioned earlier, the funds returned to the zones were intended to enhance the economic viability of the zone. The program was not intended to simply provide a lower sales tax rate for large geographic areas of the state. Various tax and employment incentives to non retail businesses were also provided to firms located or locating within a UEZ, not the least of which was a tax abatement program that was phased in over a five year period, and the exemption of paying sales tax on equipment utilized in the conduct of the business.

Bridgeton, which had also been a part of the Main Street USA program, worked well within the parameters of this innovative program for a number of years, using available funds for a variety of worthy projects. The organization charged with management of the zone at the present time is the Bridgeton Zone Development Corporation (BZDC).

Until recently, the day to day operations of the zone were managed by a contracted individual, who had previously been a full time city employee. Serving as both the UEZ coordinator and the city’s economic development director, the person recently terminated his relationship with Bridgeton and went with a neighboring community in a full time employee capacity. Since that time, management of the zone from an administrative day to day perspective, has been assumed by the community development director.

The city is commended for the insight shown by its leaders at the time the UEZ program first came into existence for becoming one of the states first Urban Enterprise Zones. The program has been of great benefit to the city and its residents.

Related to the UEZ office is the economic development office which has been operating out of the tourist center, with clerical support supplied by city staff present in that facility. Details regarding funding of the office are reviewed in the recreations section of this report.

Following the departure of the former economic development director/UEZ coordinator an attempt was made to replace this person. However, council and the mayor failed to agree on a suitable replacement, or funding for same. A subsequent attempt was made to have the BZDC fund the position without success. City staff represented that the problems surrounding this appointment were centered on political philosophy rather than practical logic. A person was subsequently hired, by the mayor, and placed in a vacant clerical position on a temporary basis, which did not require council involvement, in an effort to bring the matter to somewhat of a conclusion. Shortly before this review was completed the person was terminated with the position being left vacant in the interim. The confusion surrounding this matter could only impact negatively upon potential economic development.

Recommendation:

The city should swiftly and decisively determine a solution to the issue of economic development. Should the city adopt the TO in the proposed department of development provided by the team, shown in Appendix G, the position should be filled with a qualified individual as soon as possible.

The Bridgeton Zone Development Corporation (BZDC), which is another non-profit corporation formed by the city, had previously purchased the former Rovner Department Store building and established a retail incubator at

that location. City staff advised the team that, due to a combination of factors, this project was essentially bankrupt and the building was on the market. This will not have a direct and immediate impact upon the municipal budget at the present time because funding for this project came from other than city property tax sources. However, there will be negative impact felt when these funds are not paid back to the city. This will manifest itself in the funds not being available for future projects in the form of new revolving economic enhancement loans.

Bridgeton is suffering from a variety of economic development problems. While the downtown area presents a reasonably good appearance, the balance of the city is suffering greatly. The departure of Owens Illinois several years ago, as a manufacturing giant in the city, has left Bridgeton with a vast area of abandoned and decaying manufacturing buildings, complete with rail siding. The company is still using a small part of the available warehousing but the economic benefit to the city is marginal.

Other former significant manufacturing facilities have closed or moved elsewhere with the structures, at best, remaining as an eyesore. Some of these former manufacturing plants or foundries and other commercial enterprises, in all likelihood, will require some degree of pollution remediation prior to their re-use. Others are involved in some level of litigation regarding ownership, tax liens, bankruptcy, etc. Therefore, potential for meaningful economic development is minimal, keeping in mind the fact that little vacant land is available, barring a bold, meaningful well coordinated effort to re-claim land and offering substantial incentives to development.

At present, the major economic thrust of the city revolves around what is referred to as the Val-Mode Building, a former clothing factory of substantial size. The city has a proposal from the private sector to develop an outlet mall in this facility, which is located in proximity to the downtown area and nearly adjacent to the Cumberland County Courthouse/Jail Complex. The city has engaged different firms to ascertain the structural integrity of the building and the economic potential for such a venture. Despite a fairly substantial degree of debate regarding the wisdom of this venture, it appears certain that the city will proceed with the project.

As mentioned earlier the city has several vacant and decaying industrial sites located within its boundaries. Judging from their condition, it is evident that the city has not been taking any steps on the enforcement of property maintenance or existing structure codes. As a result these sites have continued to deteriorate and are creating significant safety and health hazards to the general public, not to mention a drain on city resources. They are, without question, a major detriment to redevelopment of the city. It is evident that if these sites are to ever become viable economic entities in the future, they will require substantial investment and a commitment from the city.

Recommendation:

The initial necessary step would be for the city to take action against the property owner, if known, to abate code violations. Should a pollution problem be suspected, Brownfield grants and/or loans through DEP are available to determine the type and extent of any pollution and what action would be needed to abate the condition. Additionally, the city should take the appropriate steps to have the owner remove any declared dangerous structures. Should the owner fail in any of the above, the city must utilize whatever course of action is available to it to force the issue(s) at hand. This could include, but not be limited to, condemnation and demolition of dangerous structures. Notwithstanding any of the above, the city should utilize, to the fullest possible degree, services of the county office of economic development and the state department of commerce for assistance.

The team is aware that the city is anticipating the expenditure of nearly \$40,000 on the hiring of a part-time marketing person and promotional materials which is to be used in promoting the city. These funds will come from a combination of city and UEZ funds.

Recommendations:

The team concurs with the concept of developing a promotional package to market the city. However, the city is cautioned that it has much work to do in the area of getting its economic base in order. This should be well under way before the city can undertake an aggressive campaign to market the city. Otherwise, it may be funds spent prematurely.

As touched upon previously in the tax assessment section, the city possesses little land that is available for immediate development. The city could consider the possibility of opening discussions with neighboring townships regarding a merger of Bridgeton with an adjoining township, forming a larger more diversified community. The concept of a merger has the potential of being of benefit to both the city and the township(s). The diversity of land use and the availability of services that would result from such a merger would present some new and unique benefits from an economic, social and cultural perspective. It could very well result in significant reductions in the expense of overall government based upon an economy of scale, and the elimination of the duplication of positions. While this is a bold step, it is one that should be seriously considered. However, it should only result from serious, far-reaching, and very thoughtful consideration and discussions.

PUBLIC WORKS

At time of the review, there were 29 people employed in the Bridgeton Department of Public Works (DPW), along with, between nine and twelve, summer help hires and numerous welfare/community service workers utilized on a year round basis. The department is under the supervision of the public works superintendent. The major functions of the department include park maintenance, streets and roads maintenance (including brush pick-up and leaf collection), street sweeping, vehicle maintenance, public buildings and grounds maintenance and repair, and center city maintenance. The following is a summary of the department's total expenditures for the past two years obtained from municipal audits:

Expenditure Category	FY 97 Paid or Charged	FY 97 Reserved	FY 96 Paid or Charged	FY 96 Reserved
Salary Wage	\$811,639	\$1,052	\$815,401	\$3,771
Other Expense	\$410,667	\$11,494	\$306,792	\$33,305
TOTALS:	\$1,222,306	\$12,546	\$1,122,193	\$37,076

VEHICLES

The city presently has three people assigned vehicle repair and maintenance as mechanics. According to the superintendent and staff, one of the mechanics spends approximately 25% of his time doing work other than vehicle repair. The city pays approximately \$118,731 in salary and benefit costs to the three DPW personnel who work on vehicles. The team feels that this is an area that is in need of a great deal of attention.

From a vehicle list given to the review team, it was determined that there were 111 vehicles and pieces of heavy equipment owned by the city plus 11 items not deemed to be vehicles...trailers, generators, small equipment, etc. The three mechanics basically only work on DPW equipment and some, but not all, out of warranty police vehicles. These total approximately 60 vehicles. It seems that the policy is that any vehicle that is under warranty gets all of its repair and maintenance done at a new car dealer's facility. The rest of the city has the liberty to send their vehicles out for repairs to a facility of the department's choice rather than send them to the DPW facility. There are some instances, however, in which the DPW mechanics will perform work on other city vehicles. Members of the review team determined that not all of the departments were responsible when it came to the repair and routine maintenance of their vehicles. According to detailed budget statements for FY 1997, the city paid out \$139,530 in equipment and repair costs on all of its vehicles. This includes parts, which were purchased and used by the DPW mechanics, and repairs or maintenance done by outside vendors.

When discussing vehicle maintenance with the senior mechanic and looking at vehicle records, the review team found that the mechanics performed the majority of the work on the vehicles that came into the city garage. There were very few instances where any work needed to be contracted out because the repair was in excess of their capabilities. An example of a repair that needed to be contracted outside of the garage would be a transmission overhaul. The team also determined that there were only a handful of instances where a vehicle was out of service for more than the day in which it was brought to the shop for repairs.

With the exception of the police department, the team could identify no routine preventative maintenance plan presently in place for any of the city's vehicles, or department. The mechanics basically are providing a "Band-Aid" approach to vehicle maintenance, in that they are fixing breakdowns, instead of attempting to extend the vehicles useful life for the city through a comprehensive maintenance program. Police vehicles are scheduled by their own personnel for maintenance work, primarily at outside repair facilities.

Maintenance work on DPW vehicles is not done in any organized or scheduled manner, although it was represented that the equipment operators are conscientious when it comes to checking fluid levels and lubricating their equipment. Due to a lack of comprehensive records, there was no way to determine when, or if, other city vehicles were serviced. However, in observing the age of some of the city's vehicle fleet, it would seem logical that the mechanics do a reasonably good job of repairing those vehicles that come to them for work. There is a small stock on hand of basic parts that the mechanics can use, but the majority of parts are purchased on an as needed basis through area parts stores in which they have an open purchase order.

The mechanics have three bays in which to work. There are two lifts located in the garage, one for trucks and one for cars, but only the car lift is functional. The truck lift has been out of service for approximately 10 years. This fact alone makes it difficult to service or repair some of the heavier equipment. Besides equipment constraints, another major problem that the mechanics have to deal with is wasted time due to space limitations. The mechanics use about 20 minutes in the morning and 20 minutes in the afternoon maneuvering vehicles in and out of the garage area. This results in approximately 174 hours of wasted time per year per mechanic. This exercise is in response to vandalism and theft problems that occur if equipment is left outside. The city tries to put as many vehicles as possible inside the garage facility each night. This daily routine equates to approximately \$12,000 per year of lost time.

Recommendation:

The city should evaluate the daily routine of using mechanics to garage the vehicles at night. If a vandalism problem exists, it can be reduced through a variety of electronic security measures, that could include additional lighting, video cameras, and alarm systems. The team estimates the added cost of these items would be no more than \$5,000. These would be far less costly than the loss of productive time referred to above of some \$12,000 annually. (This recommendation does not take into consideration the facility issue mentioned under the public works building section.)

Value Added Expense: \$5,000
Productivity Enhancement: \$12,000

Upon review of the vehicle records kept by the DPW personnel, it was found that they recorded a total of 520 hours of vehicle maintenance or repair work for all of 1997. As a point of reference, based on a 40-hour workweek, there are approximately 5,720 hours available for vehicle maintenance or repair, record keeping, and time off for the 2.75 FTE assigned to vehicle repair and maintenance. The 520 hours, therefore, equates to approximately nine percent of available productive time. When the extremely low figure of 520 recorded hours of work on vehicle maintenance was brought to the supervisor's attention, it was said that the rest of the mechanics time would have been spent maneuvering vehicles, doing odd jobs, cleaning the garage, and doing vehicle maintenance without recording it. The team was advised that if a mechanic does work on a vehicle and does not need to purchase any parts or materials, since they are in stock, the mechanics do not fill out a maintenance slip. While the review team is not convinced that the rest of the mechanics time is spent effectively, this practice reinforces the teams observation above that routine preventative maintenance is not done in an organized or scheduled manner. The

review team does agree, however, that the 520 hours worked on vehicle maintenance and repair probably does not accurately reflect the amount of time the mechanics actually worked on city vehicles, although there was no way to substantiate this. The team estimates that if the mechanics were found to only have accountable work hours on vehicle repairs and maintenance, along with other duties, for 50% of their time, the city would have spent approximately \$59,366 in salary and benefit costs and received no level of productivity for it.

Recommendation:

Any work that is done on any city vehicle should be recorded by the mechanics in the vehicle's maintenance log, no matter how minor; so as to accurately reflect the costs associated with each vehicle. This information can be utilized to effectively determine a vehicle's useful life. Also, these records can substantiate the amount of time that mechanics actually work on vehicles, which as noted above, is currently a problem. It is essential that the city establish a comprehensive vehicle maintenance program and require that all departments participate. This plan should be coordinated by DPW and accurate and complete records be maintained for each vehicle. Each mechanic's time should be tracked and time spent on other than vehicle maintenance accounted for. There are a variety of specialized software programs that are capable of tracking this information at a reasonable cost. The city should consider the purchase of a computer software package that will track these records.

Value Added Expense: \$500

As mentioned earlier, the team acknowledges the fact that the 520 hours recorded by the mechanics, as maintenance, in all likelihood does not accurately reflect true productive time. However, the team also recognizes that this time leaves 91%, including the time utilized moving vehicles, of the available time essentially unaccounted for. We, therefore, believe that a particularly conservative estimate of an increase in productivity of 33% is achievable and realistic. This would result in a productivity enhancement of \$39,180.

Productivity Enhancement: \$39,180

The team further recommends that the city consider modifying the work schedule of the mechanics in such a manner that actual "down time" of equipment be minimized. If maintenance is performed during non-daylight hours so that the equipment is available during the traditional work time, this would result in a substantial increase in productive time and also allow for a greater measure of security for the public works area which is referred to earlier.

Presently, there is no vehicle replacement plan for the city. The city purchases vehicles on an as needed basis, after they have utilized their vehicles well past their useful life. There is never any determination as to whether it is more expensive to have a vehicle or piece of equipment continually being repaired versus the costs associated with a new vehicle. In seeing many of the city's vehicles and looking over the vehicle lists, there are a number of vehicles and pieces of equipment that seem to have been used past their useful life. In not planning for vehicle replacement and just purchasing vehicles as needed, essentially on an emergent basis, the city is being held captive to the costs associated with vehicle replacement, rather than taking a pro-active, planned, more cost effective approach.

Recommendation:

The vehicle maintenance and repair information that will be completely kept for all the city's vehicles should be analyzed yearly, so as to appropriately plan for vehicle replacement and the associated costs. This analysis should also include a determination on whether the city's fleet is appropriate, after each department rationalizes their allotment of vehicles.

It is the opinion of the review team that the present system of vehicle maintenance and repair is not working in the best interests of the city. We do not believe that the city is receiving the maximum benefit out of the money being

spent. **As a result, we recommend that the city eliminate the current haphazard approach to the vehicle maintenance and repair of the city's vehicle fleet and replace it with one of the two options below.** For a point of reference, the total cost for the current vehicle repair and maintenance program for the city is approximately \$258,261.

OPTION #1: The city should entertain bid proposals for the competitive contracting of vehicle maintenance services. We have found that contractors will generally guarantee about a 98% availability rate for the city's vehicle fleet (excluding major repairs like transmissions and engine overhauls), thus giving the municipality the option of reducing its fleet size. These contractors will also provide complete cost analysis data by vehicle and by department, permitting improved scheduling of capital replacement costs, institute a complete preventative maintenance program, work on all the city's small equipment with no additional cost and will even wash the vehicles before they are returned to the departments. Competitively contracting vehicle maintenance will also provide for increased accountability and quality control through the absolute control of a legally binding contract.

We have found that competitively contracting for vehicle maintenance services can obtain prices of approximately \$2,700 per vehicle, for a mix of light duty and heavy-duty vehicles. Currently, the city's cost per vehicle is approximately \$2,325 per vehicle, but there is no preventative maintenance program (some vehicles are not being serviced at all) and there is no cost analysis data available. If the city were to competitively contract for vehicle maintenance services, without any reduction in the vehicle fleet, although we believe this could be done, the cost to the city would be approximately \$299,700. This would be approximately \$41,437 more than is currently being spent, but the level of service to the city and the city's vehicles would be greatly enhanced. In competitively contracting for these services, the city could allow the DPW to also bid on the services or write in the bid specs that current city mechanics would have to be considered first by the contractors for employment.

OPTION #2: The city should have all vehicle maintenance and repairs done by the city's mechanics. If this were to occur, a couple of things would have to take place. First of all, the mechanics need to have the proper space to work and not have their time limited, as is currently the practice. The city needs to be aggressive in obtaining a new DPW facility. Secondly, the mechanics would need to be properly equipped. As stated earlier, the mechanics have been without a truck lift for approximately 10 years. If the mechanics are to be expected to do a job that is similar and competitive to what the private contractors will do, they must be properly equipped. It should be noted, however, that the city recently purchased a diagnostic machine to assist in their vehicle repairs. Steps like this must be continued if the vehicle repair and maintenance work is to be done by the city mechanics.

LGBR has found that an appropriate vehicle to mechanic ratio should be approximately 27-30 vehicles per mechanic. Currently, the 2.75 FTE have a vehicle to mechanic ratio of approximately 22 : 1. If the mechanics were to work on all 111 city vehicles, it would seem that another mechanic might be warranted. If there were 3.75 mechanics working on 111 vehicles, the vehicle to mechanic ratio would be approximately 29.6 : 1. The addition of a mechanic would probably necessitate a salary and wage increase to the city of approximately \$40,000. This additional \$40,000 could be all but offset by the reductions associated with not sending any vehicles out to private repair facilities unless there is a special circumstance.

Regardless of which of the above options are chosen by the city, the city should ensure that all of the following are completed:

Recommendation:

It should become the policy of the city that all vehicle repair and maintenance work go to one city designated facility, unless there is an extenuating circumstance present.

The city should ensure that all vehicle repairs and maintenance are properly recorded and tracked. Complete cost analysis data should be completed at least annually on all the city's vehicles.

The city needs to institute, either through the private contractor or the city's mechanics, a routine preventative maintenance program. It is well documented that a vehicle's useful life can be greatly extended if it is properly serviced and maintained. This routine maintenance, along with all the oil changes, fluid checks, etc., should include at least a one time per year complete vehicle inspection.

BUILDING MAINTENANCE

The DPW is responsible for the daily upkeep of both the City Hall, the City Hall Annex and the weekly upkeep of the DPW office. City Hall and the City Hall Annex total 29,139 square feet. The DPW office has a total square footage of somewhat less than 3,000 square feet. Two DPW employees are assigned to these buildings for general cleaning and light building maintenance. The cost for these services is \$37,079 in salary and benefits each year. Most maintenance to these buildings, along with all of the other city buildings, are done by other DPW personnel, such as the mechanic who splits his time between DPW functions (25%) and vehicle maintenance (75%). The building's employees and a contracted service clean other public buildings, such as the firehouse and the library, respectively.

In touring the municipal facilities, the team noticed excessive amounts of dirt and dust on the floors and staircases, garbage cans not being emptied, and other various imperfections. In City Hall, for example, a large amount of unused furniture and office equipment has been piled in an alcove off the first floor near the chief's office blocking a doorway. In another instance, the team observed a high ranking municipal official vacuuming offices in the City Hall Annex. In talking to the municipal personnel, it seems as though there is a recurring problem with the building not being properly cleaned or supplied.

In trying to determine the effectiveness of the two DPW employees who clean the municipal buildings, the total square footage for the DPW office must be adjusted to reflect weekly cleanings instead of daily. This adjusts the square footage from 3,000 to 600. Secondly, the new total square footage of 29,739 needs to be adjusted by a reduction of approximately 5% to account for closet space, walls, etc. This results in a total "daily" square footage that needs to be cleaned of approximately 28,252.

Industry standards show that effective cleanliness can be obtained by having one custodian for every 18,000 square feet. If this standard were applied to the Bridgeton municipal buildings, the city would need to employ approximately 1.5 personnel for its general custodial work. According to these standards, Bridgeton is over staffed by .5 FTE's. If the city were to reduce its custodial staff by .5 FTE's, the annual savings in salary and benefits would be approximately \$9,270.

Another comparison to determine custodial effectiveness is to compare the present costs to the costs that would be associated with contracting for the services. The LGBR has found prices for custodial services in southern New Jersey ranging from \$0.75 per square foot for basic janitorial services (similar to what is provided now, but with higher quality) to over \$1.00 per square foot for detailed cleaning, cleaning of windows, spot cleaning carpets, etc. Using these figures, it would cost the city between \$21,189 and \$28,252 to clean the municipal buildings at a cleanliness level far superior than what is presently being obtained. The resulting savings to the city would be between \$8,827 and \$15,890.

Recommendation:

The city needs to address its custodial services on the municipal buildings. Under the present situation, the city is not obtaining the level of service it should receive for the amount of money being spent for general custodial services. The city should either reduce the current staff by .5 FTE's to industry standard levels and demand better quality or competitively contract the custodial services. The savings to the city, depending on the option and the quality of work desired, would be between \$8,827 and \$15,890. For purposes of this report in order to quantify, we will use an average between the two of \$12,258.

Cost Savings: \$12,258

STREET SWEEPING

The City of Bridgeton is approximately 6.6 square miles. It consists of about 74 road miles, of which 49.86 are municipal, 4.54 are state and 19.62 are county roads. The DPW has two people assigned to street sweeping the entire city. The sweepers are on the road for approximately nine months out of the year. They don't go out during the leaf collection season since the operators are helping out with leaf collection. The DPW attempts to get the entire city swept each week, along with the downtown district being swept daily. The total cost for street sweeping, including salary and wages, average maintenance and repair costs, and the costs associated with purchasing street sweepers (amortized over 10 years) was approximately \$108,704 (excluding parking enforcement). Under the current system the city is paying approximately \$1,469 per mile per year or \$73,240 for municipal streets, \$6,670 for state highways and \$28,794 for county roads. The amount the city is paying for non-municipal street sweeping totals approximately \$35,646.

Recommendation:

The city should, as a matter of policy, determine if it should be sweeping county roads and state highways at local taxpayer expense. It is the opinion of the team that the city should limit sweeping to only municipal streets. If the practice of sweeping non-city streets is eliminated, the city could utilize the personnel providing this service in other areas of public works with an enhancement to productivity of \$35,646. Since Bridgeton is the host city to county government, the team feels that the city should contact the county road department and request the county regularly sweep those roads that are under their control. This recommendation applies to the state highway department as well. An alternative to this would be to enter into an inter-local service agreement with the county and state that would provide for payment to the city for the performance of this service.

Productivity Enhancement: \$35,646

The city has alternate side of the street parking in effect, so as to make it possible for the sweepers to do their job. In trying to assist the sweepers, the city has one person in DPW assigned to issuing parking summonses, along with ensuring trash and recycling compliance, scheduling the community service/welfare workers, and other various office duties. The team was advised that in 1997, this person issued 2,290 parking summonses or approximately 254 per month based on the nine month sweeping schedule as a result of following the street sweepers. Court statistics, however, indicate that the total number of parking summonses issued averaged 189 per month. It should be pointed out that the number the team obtained included those issued by regular police enforcement. The wide discrepancy between the number of tickets the court recorded and that which were alleged to have been issued by the enforcement person is significant.

Recommendation:

The city should conduct an audit of tickets issued in reference to street sweeping and compare the results to those actually recorded by the municipal court.

In analyzing the street sweeping function, it was determined that the city was swept an estimated 25 times during the nine months of the street sweeping season of 1997 (Out of a possible 39 times). This was determined by using load data from the sweepers and taking into account days in which the sweepers were out of service due to repairs and employee time off. In touring the city, the review team found the roads to be fairly well cleaned by city staff, even though department personnel indicated that they felt that a third sweeper was needed to do a thorough job.

Recommendation:

On average, and as a base for this report, we will assume that street sweepers will travel at approximately 2.5 miles per hour. Excluding time needed to dump debris, fill water tanks, maintenance, and breaks, we assume the machine is actually in service and operating an average of six hours per day. Therefore, one machine operating in Bridgeton has the potential of cleaning 75 sweeping miles or 37.5 road miles per week. If one sweeper was eliminated and the schedule modified to sweeping the entire city once every two weeks with the center city done everyday total cost savings would amount to a total of \$54,352 or an additional \$18,706 over the amount mentioned by eliminating the state and county roads. The team feels that even sweeping non-city roads the entire city could be swept with one machine every two weeks. The city certainly does not require a third sweeper and operator, as has been suggested by city staff.

Cost Savings: \$18,706

CONVENIENCE TRASH CENTER

The city has a convenience trash center located at the DPW facility, in which residents are allowed to dump trash, metals, wood, and other materials not put out and/or collected during normal garbage collections. These materials are then picked up as needed by the private contractor, which presently picks up the city's trash. The convenience center is open only on Saturdays for eight hours. The city employs a part-time person to staff the facility, ensure that items are put in the correct place, and be of any assistance to the residents. The city collects \$0.50 per bag and \$35 per truckload of materials brought to the convenience center. In 1997, the city received over \$4,300 in revenue from allowing residents to dump materials at the convenience center. The city pays approximately \$2,184 per year in salary costs to the individual working at the convenience center.

Recommendation:

The city should annually assess the fees being charged at the convenience center, to ensure that the amount of money being received in revenue exceeds the costs associated with the part-time staff member who oversees the operations.

COMMUNITY SERVICE/WELFARE WORKERS

This area could easily be considered a best practice for the City of Bridgeton. The city benefits greatly from complementing its paid DPW staff with volunteer welfare participants and inmates from the Southwoods Prison. The DPW places these volunteers on crews headed up by the paid employees. These volunteers are placed wherever it is most needed, but the majority of the assistance is received in the parks and streets & roads functions.

In 1997, the DPW received volunteer assistance from numerous people in excess of 7,250 hours. This equates, based upon a 2,080-hour work year, to 3.5 full-time personnel. In talking with the DPW supervisors, they say that the majority of these volunteers are hard working, but as in most areas of work, some people work harder than others do. If you were to use a 15% factor to adjust for poor workers, the city still received volunteer labor amounting to approximately 3 full-time personnel. At the average salary and benefit cost of \$35,904 for the streets, roads, and parks laborers, the city saves approximately \$107,712 per year by utilizing the welfare and community service volunteers.

Recommendation:

The city should be commended for seeking out volunteer labor to complement its existing DPW staff. The city should continue to search out all opportunities to maintain and/or expand the current amount of volunteer assistance. As stated above, the city saves approximately \$107,712 by utilizing volunteer assistance.

CENTER CITY

There are presently two DPW personnel who are basically assigned with maintaining and cleaning the downtown area, along with fulfilling any projects assigned by the governing body or assisting with other DPW projects. As an example of an ancillary project assigned by the governing body, the review team found the two personnel filling the cracks between the brick sidewalks with sand in the downtown area.

The City of Bridgeton's downtown area is designated as an Urban Enterprise Zone (UEZ) by the State of New Jersey. As such, sales tax revenue from this area, which diminishes in percentage of return over the life of the UEZ program, is held in an account for various purposes in the defined area of the city. These funds are available for use by the city as outlined in the economic development section of this report. Presently, the city has over \$1,100,000 available for UEZ projects. The review team is aware that the State of New Jersey's UEZ board has approved the utilization of UEZ funds in other communities for the hiring of personnel who are directly assigned to maintenance efforts of public property in an Urban Enterprise Zone. The DPW estimated that 45-50% of these personnel's time is spent on maintenance efforts within the downtown UEZ area.

Recommendation:

The city should petition the State of New Jersey UEZ board to use UEZ funding for paying the salaries and benefits associated with the two personnel assigned to the downtown area. In petitioning the UEZ board, the city would have to justify the economic benefit derived from the personnel used in the UEZ area, and verify the percentage of time the personnel work within the UEZ area. If the city were able to pay for 50% of the two workers' salary and benefit costs with UEZ funding, the savings to the city (due to an alternate revenue source) would be approximately \$37,229 in direct salary and benefit costs. In petitioning the UEZ board, the city should also apply for UEZ funding for vehicles and equipment, which are anticipated to be used in the UEZ area. This would include vehicles that would be utilized in UEZ designated industrial areas as well as the downtown area. The city should consult with neighboring communities that have designated UEZ areas and have used funds in this manner to explore additional areas of reimbursement.

Revenue Enhancement: \$37,229

PARKS

The parks crew consists of a supervisor, six laborers, 9-12 summer helpers, and some community service/welfare workers. The supervisor is also the city's recycling coordinator. The parks crew is responsible for the maintenance of the city's parks, playgrounds, ball fields, and public building areas. The majority of their duties include grass cutting, ball field maintenance and lining, maintaining the playground and picnic equipment, picking up leaves and brush, pruning trees and bushes, picking up the trash receptacles in the park, zoo, downtown area, and municipal buildings (including City Hall, the City Annex, firehouse, museum, etc.) and setting up for large events. According to Bridgeton's Open Space Inventory, there are a total of 622 acres of parkland in Bridgeton, including the zoo, 14 ball fields, and 5 playground areas.

As stated above, the parks crew is responsible for daily pick-ups of trash receptacles within the parks, zoo, downtown area, and municipal buildings. There is one person assigned to this duty and he is assisted by one of the community service/welfare workers. The two-person crew uses a dump truck to pick up the trash, because regular trash trucks are not able to maneuver around the park and zoo area very efficiently. According to the DPW, there are approximately 150-200 trash receptacles in the city that are picked up by the parks crew. In 1997, the parks

crew picked up over 750 loads of trash, which is equal to approximately 2,250 cubic yards of non-compacted trash. All of the trash that is collected is taken to the DPW convenience center and placed in dumpsters there. When the receptacles are filled at the convenience center, the city's garbage contractor is contacted to take away the trash. The contractor charges the city for each pick up.

Recommendation:

Due to the uncommon arrangement for pick up of the city's trash receptacles, in which the public employees collect the trash from the receptacles and the private company picks up and disposes the trash from the convenience center, the review team was not able to determine its cost effectiveness, even though we believe the costs are not excessive because of the usage of community service/welfare workers. It has been our experience, however, that private contractors provide trash services in a manner that is as cost effective, if not more cost effective, as the public sector. We suggest that the city contact its garbage contractor and other vendors and explore having the entire trash collection and disposal service for the parks, zoo, downtown areas, and municipal buildings put out for competitive bids.

As part of his monthly duties, the parks supervisor conducts monthly assessments of the city's playground equipment looking for broken equipment, jagged edges, and other potential liabilities, including the area surrounding the playground. This is in addition to the parks crew finding any problems when they are in the area doing other work. Whenever a problem is noted, the parks crew fixes it or it is taken off of the playground.

Recommendation:

The parks division should continue its conscious effort to maintain the city's playground equipment. Not only is this a public service, in maintaining children safety, it is essential in reducing the city's liability in case of any accidents that occur on the play ground area.

STREETS AND ROADS

Besides the personnel already noted in the vehicle maintenance, street sweeping, and building maintenance sections, there are eight personnel remaining in the streets and roads division under the direct supervision of the assistant superintendent. One person is assigned mainly to the traffic maintenance function, in which he creates new traffic and/or parking signs, puts up signs, fixes signs, cleans vandalized signs, paints parking stalls, crosswalks, etc., and does other miscellaneous DPW projects. The other personnel spend the 1st and 3rd weeks of the month from April through September collecting bagged leaves and brush, spend the last three months of the year (along with any other available DPW personnel) picking up leaves that are raked to the roadside, and spend the rest of the time patching pot holes, cleaning and repairing catch basins, cleaning along the roadside, removing ice and snow, repairing sidewalks, pruning trees and brush (Shade Tree), and doing other miscellaneous work, such as putting up and taking down the city's seasonal decorations.

The streets and roads division, besides their routine pick-ups of brush and leaves, is basically the "catch all" within DPW that does all of the non-routine things that need to be done within the city. This division is also complemented with community service/welfare workers.

Whenever a road needs to be opened for any reason by a non-city agency, that agency must obtain a road-opening permit from the engineer's office. The fee associated with the permit is to cover the cost of the engineer reviewing the organization's plan. When the organization is done with their work, it is up to that organization to fix the road according to city standards. The city only does roadwork when one of its departments opened the road.

Recommendation:

While this is a cost-effective way to deal with the initial repair of the roads, we feel that this does not lend to quality control and could lead to increased costs in the future. Other municipalities contract with one vendor to do all of the municipality's road repair work, instead of letting various organizations do repair work. We recommend that the city follow this example. This arrangement provides for easier oversight, since there is only one contractor, and provides for quality control. Under this arrangement, the city needs to be sure that all the costs associated with the road repair, including salaries, benefits, equipment costs, administration, and other costs, are taken into account when the fee for the road opening permit is set.

From April to the end of September, city residents are allowed to put vegetative waste (bagged leaves, branches, and brush) out for pick up during the 1st and 3rd weeks of the month. These 12 weeks are known as "clean up weeks" in the DPW. Each of the five sections of the city is picked up one time during these weeks.

SICK LEAVE/VACATION

The City of Bridgeton is a civil service community and is, therefore, subject to minimum standards for vacation and sick leave. In addition to these minimums, the city also has contractual obligations it has negotiated, which enhance minimum vacation leave. Twenty-nine individuals staff the public works department, currently made up of the following divisions, streets and roads, parks, public buildings, and a residential solid waste convenience

center. The headquarters of this department is located in the southern section of the city at the public works garage.

The city maintains a time clock in the public works compound, which appears to be effective. The time cards reflect very little “written-in” records signifying a real attempt to maintain hard and statistically accurate personnel attendance information. Based on a review of sample records, there appears to be no violation of vacation rules or union agreements.

For 1997 the PW staff (29 employees were considered in the mix despite the loss of the recycling coordinator who was replaced by a current employee) used 140 sick days, an average of 5.12 days per employee. This data demonstrates a genuine effort on the city’s part, and that of the public works department supervisor, to control absenteeism. This number reflects a low average on sick leave usage and probably indicates a degree of high morale and leadership.

The team observed the public works area on an unannounced date to review employees work habits as they related to arrival at work and the time needed to clear the public works compound and be enroute to the job site and found the employees performance satisfactory.

Recommendation:

We do not recommend any changes and feel the low number of sick days should be a positive item brought forward in our overall analysis of city government especially the Department of Public Works. Procedures already in place demonstrate that the time clock has been a successful tool in this division and it should be maintained. On site observations reveal timely work habits and efforts to stay on or at the work site until approximately 30 minutes prior to the end of the day.

BUILDINGS, EQUIPMENT & ENGINEERING

Facilities

The bulk of the Bridgeton City Public Works Department, with the exception of the parks division, is physically housed in an area located in the southern half of the city. It is comprised of the Divisions of Streets and Roads, Parks, Public Buildings, and solid waste utility. The parks division is headquartered in facilities located in the Parks/Zoo Complex.

For purposes of this review, we are concentrating on the garage facilities and equipment as well as the location for engineering work.

At the present time, the garage facility and offices (with exception of parks) occupy 9,743 square feet. It is made up of a single garage of 6,600 sq. ft.; a weigh station office of 221 sq. ft.; a stand alone pole barn facility of 1,680 sq. ft.; a workshop of 378 sq. ft.; and an office of 864 sq. ft.

The garage facility is in poor condition. The structure itself is poorly lighted, poorly ventilated, and has two hydraulic lifts, one of which was not operating during our visit. In addition, the building itself appeared to need a large effort to secure its walls and interior structure. Heating is a problem as well and the team feels that attempts to maintain heat and adequate ventilation could be self-defeating, not to mention cost prohibitive. The building does not lend itself to an efficient operation. It has old fixtures, poor break areas, tight quarters for equipment and vehicles, and requires time and effort simply to clear the work area of vehicles in the morning.

The garage has a second floor paint/sign shop area, which was constructed by city staff. This area gets the job done but is not well suited for lengthy work assignments.

A storage area is not located inside but outside the building as are supervisory offices. Since vehicle equipment is potentially at risk outside, over 43 vehicles are sometimes forced into some, or all of their buildings. This practice,

by itself, forces employees to spend 40 minutes per day simply moving equipment in the morning prior to work beginning, and again in the afternoon.

A large area of scrap and debris ranging from abandoned mobile homes to junked lawn mowers, general debris, and junk surrounds the entire complex. It would be safe to say that the city would be hard pressed to allow a private property owner to keep a property in such condition.

Recommendation:

The team recommends that the city construction official perform an inspection of the public works compound to assess its suitability for the intended purpose and compliance with the UCC.

The city is in need of a genuine garage facility to relieve pressure on the old building and its older systems used to maintain expensive new up to date vehicles and equipment. The property adjacent to the public works garage also raises questions about useable space, ratable property and appearance. This report will raise issues already brought to the attention of the business administrator regarding the acquisition of a new, more cost effective, and efficient facility through purchase, lease, or construction.

While the review of the city has raised this issue, a similar review by the LGBR school team has shown some interest by the school board in purchasing a warehouse/office complex located just off Pearl Street in the northern section of Bridgeton. This purchase, if completed, (many issues need to be resolved on this front as we currently understand the facts) could bring some 30,000 sq. ft. into school hands in the very near future.

The school board currently leases and uses about 10,000 sq. ft. of this building, but this practice raises some serious questions about real need of the BOE and excessive cost. It is projected the cost of the building to be about \$400,000. Initial inquiries by the school have to date been rejected by the current owner. However, it should be mentioned that this facility offers approximately 20,000 sq. ft. of usable space.

The available underutilized space in this structure could very easily be used by a consolidated Department of Public Works. It could provide both a lease savings to the school board and the possibility of ratables being put back on the tax records through the sale of land where the public works buildings are now located. It should be pointed out that those costs and enhancements will not replace the money now being paid to the city by the private owner through property taxes. (The current tax structure returns \$10,266 per year to the city, school, and county.) It will, however, permit the city to incorporate most of its public works operation within one city building and also permit the parking and securing of its vehicles inside, saving on time, equipment, and general overhaul needs.

This proposal assumes that the city would assume a renewable lease with the BOE for the city portion of the building.

As an alternative to this option, we would propose the city offer a purchase option on the building at an assumed price of \$400,000. The bonding of this purchase would cause an amortization schedule of approximately \$25,000 yearly, but could be subsidized by a preferential lease agreement with schools (using "Abbott" money) to fund the costs of the bonding. This option leaves the town with total control of the building and a sound partner in the lease agreement with the school district. Eventually the building which is of real commercial quality would be a wholly owned municipal structure with little local property tax dollars being used from Bridgeton City residents. This could also aid the school board with increased services from the city and make more space for storage, not to mention the potential of shared services. This option presents some real savings for the municipality as a whole.

Finally a third option involves a joint purchase of the property to avoid issues of control and ownership, with a majority of costs being borne by the school district and some small amount of bonding by the city to cover its costs in purchasing. An inter-local service agreement between the town and school board could accommodate the inequity in funding used to purchase the building. Such shared services could involve mechanical services, maintenance, field work or grass cutting, or other activities designed to aid the school board and end some duplication of services.

Miscellaneous Public Works Buildings

The remainder of the public works facilities including the main office, the workshop, the paint shop, and the pole barn could all be eliminated and consolidated into one public works building, with a commensurate increase in overall efficiency.

The current facility does house a convenience center for loose residential solid waste and a compost area for leaves. In support of this activity, the city maintains a small weigh-in facility, which we believe, could remain at this facility as the one remaining building. We don't believe this structure would need full-time coverage but it could be used as the center for a small area still dedicated to public works activities. This decision by the city could enable the city to offset some of its bonding through a selling of the office building and a portion of the land on either side of the railroad which could be of some value to the city ratable structure.

Recommendations:

Form a partnership with the Bridgeton School District to purchase a vacant warehouse in the downtown area for approximately \$300,000 to \$400,000. The 30,000 sq. ft. facility offers modern fire suppression, additional storage capacity, garaged housing of equipment, a degree of security, additional parking capabilities within a fenced area, and additional storage space for school needs. Bonding of the facility by the town could be offset by a unique leasing arrangement with Bridgeton City schools, which may cover the amortization schedule set for the municipality. This action would permit the Public Works Department to enter a more modern facility and permit the school board to share some services already available to the city, as well as, use some of the space for storage of records, police evidence etc. School dollars could be offset by special funds allotted to more needy school districts by the State of New Jersey.

In addition to this recommendation, we believe the 43+ vehicles and pieces of equipment should be garaged within an enclosed facility. We also suggest the additional 10 pieces, which may not be subject to licensing also, be housed within a building. The current dispersed array of "junk" and parts at the existing facility needs to be eliminated or trucked to an appropriate disposal area.

And finally we recommend selling of at least half of the existing area to private enterprise, with a return to the tax roles to offset the approximate \$10,000 (total for municipal, schools and county) lost when the town removes the warehouse via purchase and now its inclusion as a public entity.

Revenue Enhancement: Approximate \$350,000 (Via bonding to purchase a new building)

**Cost Savings: \$140,000 (Realized from sale of property, vacant buildings, and waste metal
Acreage = \$100,000; buildings = \$35,000; scrap metal \$5,000)**

DEPARTMENT OF PERSONNEL ISSUES

EMPLOYEE COMPOSITION

- 1) 56 Unclassified
- 2) 39 Provisional (inclusive of Housing Authority and Library)
- 3) 34 Permanent Non-Competitive Appointments
- 4) 240 Permanent Employees
- Total = 369 employees

Personnel functions are centralized in the administrator's office. Recent programs instituted within the NJ Department of Personnel (DOP) have eased some on-going problems involving permanency and certification as well as title structure in the area of dispatch and emergency medical services. Some of the provisional

appointments date from 1994 forward and need to be addressed through expedited announcements or some of the continuing pilot programs by the city and the Department of Personnel.

Specific concerns were expressed in the public safety area involving fire, police, dispatch, and some areas of concern regarding department head status and the new elections. Most of these concerns involved promotional testing in the police department revolving around the current acting chief, as well as, concerns in the fire department surrounding the title granted to the highest paid fireman. As mentioned earlier, there were also issues raised surrounding the activity and personnel practices in the dispatch area.

Recommendation:

Bridgeton personnel matters are currently routed through the business administrator's office. It is recommended the city assign a specific individual in that office to address personnel matters and concerns as well as inform department heads of personnel situations and policies.

At the present time, the city employs approximately 366 people according to payroll information. The small discrepancy with NJ Department of Personnel figures is not significant; however, there are at least twelve individuals in provisional status that can and should receive permanency through merit system examination. A few of these individuals have been on the payroll for three years and deserve immediate attention.

Generally, the city's relationship with the DOP has been acceptable over the last few years; however, additional computer training could enhance this relationship, since Bridgeton has already been connected to the department electronically.

POLICE

The most obvious problem in the police department involves the police chief, who has essentially been absent from the department for over a year. According to the business administrator, the chief has requested sick leave for an extended period of time due to illness. This initial request was granted. In the interim, a lieutenant was asked to maintain operations and, in effect, operate the department. During this period, the city has not placed the lieutenant in an acting capacity within the civil service system. Rather, the city has continued to grant sick leave extensions while the leave has not been resolved with the business administrator.

The business administrator has questioned the "sick" nature of the leave, and has asked city medical personnel to review the request. City council, to date, has taken no action to resolve this dispute. The most likely resolution is the retirement of the chief. However, as of the writing of this report, even this process has not been finalized. While the city languishes on this matter, they have agreed to pay the interim lieutenant the salary commensurate with a chief. In reality, the city is currently paying the equivalent of two chiefs since no action has been undertaken by council to alleviate the problem.

From a civil service viewpoint, the lack of personnel actions to correct the classification status granted to the lieutenant can only cause additional problems in the immediate future. The lieutenant will face additional competition should he not be promoted to captain in the near future. Based on discussions with the business administrator and the acting chief, it would appear the lieutenant has been acting out of title for some time, based on duties assigned by the chief and now by the public safety director, city council, and the business administrator.

During the final stages of this report, the city has taken action to place the lieutenant in the provisional status of captain. However, the city has not approved a "waiver" of the examination thus, delaying his permanent appointment to that position. Now the city must address the actual retirement of the police chief and the lieutenant's role as the real chief. This delay, by the city, in addressing the captain's status could affect the promotional examination process and the city's selection for that position. LGBR only mentions this as a civil service matter, and takes no actual position on the matter with regard to personnel.

In addition to this issue, matters previously discussed involving the chief seem to be real now and continue to present problems with regard to sick leave policy and how it was addressed during the final six months of the chief's employment. As of the writing of this report, documentation justifying the use of additional sick leave (duty injury) during the last months of the chief's employment could not be uncovered, therefore, leaving a great many questions regarding amounts paid to the chief, both in those last months, and at the time of his impending retirement.

Recommendations:

The city is in the process of classifying the acting chief in a capacity of captain while the chief is still on "sick" leave. During the writing of this review, the chief has indicated intent to retire, but the lieutenant has still to receive permanency as a captain. It is strongly recommended the city correct this problem as soon as possible by approving the waiver and positioning the lieutenant as a permanent captain.

The sick leave, which has been granted to the chief, has caused the city to spend twice its salary for chief duties over the last year. We recommend this practice cease immediately with a projected savings of \$90,000 (projected amount spent for the additional chief's position) in salary paid to the chief who is on "sick" leave without written medical justification for the last 75 days.

At the time of this writing, no justifications were presented to LGBR regarding the duty injury time recorded on time cards. Therefore, we believe these costs are certainly questionable. Assuming the city has paid this amount per the time cards, it could successfully be argued that the money paid at the time of retirement for unused sick time could be diminished by another 75 days assuming this time would be needed to cover the injury duty recorded on the time cards. Of course this, too, would need to be documented.

Although the chief's role and active police organization and structure will be viewed elsewhere in this report, it is strongly recommended the city establish a rank commensurate with "back-up" responsibilities which become a reality from time to time. This recommendation suggests ordinances be placed before council establishing the rank of captain to address command absences. This enhancement to the police department could effectively increase costs by approximately \$12,000 assuming the department actually enacts this recommendation.

POLICE DISPATCH

The Bridgeton Police Department has expressed, through their acting chief, a desire to fill vacancies in dispatch and, also, some personnel and salary issues affecting police dispatch. As a result of discussions with the chief and additional discussions within LGBR, a decision was made to look at county dispatch as a possible alternative.

Currently, the county uses public safety telecommunicators to dispatch fire and ambulance services throughout Cumberland County with centralized offices on the outskirts of Bridgeton. Millville and Bridgeton use the system to dispatch emergency services with the exception of police. It should be noted, however, that Millville EMS, according to the 911 coordinator, was contemplating doing its own dispatch. In addition, the county dispatches ambulance service in Vineland.

Initially, start up efforts made by the county in 1993 met resistance from the three major cities in Cumberland County, but "home rule" has not stopped the county from proceeding with electronic enhancements and computer upgrades in the last few months. Currently, the county system does not dispatch police services but, rather, transfers those calls directly to local municipalities or the state police in areas where there is no local police coverage.

Current Bridgeton concerns, including personnel, equipment, training, costs, and the possible replacement of the chief, offer a window of opportunity to seek shared services with county assistance, developing a strategy to overcome local issues and, possibly, contract or merge services with the county. The acting chief may not favor

such a move since this type of change often conflicts with past practice, experience, and control. However, it has been proven through operations in counties such as Camden that advanced technology and training has led to improved services.

In this individual situation, Bridgeton has identified some major stumbling blocks in their own operation, including salary and training. Currently the county pays only minimally more than the city, but does provide regular training along with state of the art equipment. The county could upgrade its system by about \$12,000 to accommodate police dispatch for Bridgeton only with the addition of at least two new staff people for approximately \$60,000, including benefits. In addition, the county has indicated a desire to explore, with local officials, a consensus to consolidate all dispatch services. If this were to happen, the county would then become both the Public Safety Answering Point and Public Safety Dispatch Point for the City of Bridgeton. This would remove concerns of salary and personnel conflicts from local control. Issues related to “home rule” would need to be addressed. Among them are:

- 1) Response time;
- 2) Area knowledge of geography and citizenry;
- 3) Experience;
- 4) Local control over call and reaction;
- 5) Support of local police department and government officials;
- 6) Acceptance by the residents of county dispatch; and
- 7) Does it work?

All of these issues would need to be discussed and addressed before most of the project could go forward. Nothing addresses questions like real experience and success. Therefore, an effort at a pilot operation might be well received before such a change is fully implemented. In addition, it might be well for police staff to visit a successful operation such as Camden County as part of the process.

It would appear the county could possibly absorb this operation for less than \$100,000. Current personnel costs alone in Bridgeton amount to \$119,249. Costs associated with the transfer of this function could be realized almost immediately but extensive savings could be achieved through successive years of operation. Negotiations with Cumberland County could produce a workable agreement with the City of Bridgeton and provide needed services at a considerable saving.

Home rule issues in Bridgeton may suggest this scenario might leave the police department too far outside the loop of operations. However, discussions with the county coordinator indicate that the New Jersey State Police currently receive a transferred 911 call via electronic transmission and dispatch from a centrally located center in Buena, New Jersey. This dispatch activity in various small towns throughout Cumberland County via State Police dispatch suggests a centrally located area appears to work with a degree of success despite being located outside of most municipalities. Therefore, we believe Bridgeton could successfully maneuver around these various pitfalls and provide a cost effective and more efficient mode of service to its residents.

Recommendation:

Transfer dispatch operations from the city to Cumberland County for savings of \$119,249 yearly in personnel costs alone. This does not take into consideration costs saved from additional budget years or enhanced equipment needs. It should be pointed out that discussions with Cumberland County over this issue were positive over this proposition even though costs to the county could increase by approximately \$100,000 during initial start up costs. The county has also suggested the staff from the Bridgeton dispatch area could be interviewed for the newly established positions at the county level.

It should be pointed out that the city and the county are competing for qualified individuals with the State of New Jersey. Recently opened prisons within the county are offering salaries at higher levels. This is an area, which needs to be reviewed by both the county, and Bridgeton should the city refrain from consolidating operations since salaries appear to be low in comparison to the State.

Cost Savings: \$119,249
Value Added Expense: \$12,000
Included In Public Safety Section

Questionable Costs this years only: \$19,470
(Sick leave granted to the chief)

COMMUNITY DEVELOPMENT AND PLANNING

COMMUNITY DEVELOPMENT

The community development office oversees a variety of programs, but with primary emphasis on housing rehabilitation. This office is also utilized as the staff office for the Historic District Commission. The city has twice been awarded the National Preservation Award by the National Advisory Council for Historic Places for its housing rehab program. The city boasts that through a variety of government funding sources and positive working relationships with nonprofit organizations, nearly one million dollars in housing rehab projects have been completed on 104 homes.

FINANCIAL

For FY 1998, the community development office will serve as a conduit for \$2,840,262 in various state and federal grants and loan programs as follows:

Federal Funds	Amount
Surplus CDBG from Previous Years	\$ 248,532
Surplus HOME from Previous Years	140,352
Federal FY 1997 CDBG	628,000
Federal FY 1997 HOME	187,480
Lead Abatement	200,000
Housing Rehab Revolving Loan	126,115
Business Development Revolving Loan	6,695
Local Law Enforcement Block Grant - 96	85,409
Local Law Enforcement Block Grant - 97	99,454
COPS MORE	18,225
Total Federal Funds	\$1,740,262
State Funds	
Rental Rehab	\$ 150,000
HMFA Mortgages	300,000
UHORP (HMFA funds)	650,000
Total State Funds	\$1,100,000
Total FY 1998 Funding	\$2,840,262

The largest single source of grant funds the city receives is from the Community Development Block Grant program (CDBG). The city is a direct recipient of the program and intends to use the largest portion of the funding for housing rehab, code enforcement, public services and public improvements. Approximately 35.4%, or \$222,000 of the total funds, are dedicated to salary, wages and administration. The following is the breakdown of the proposed FY 1997-98 funding:

Project	Amount
Housing Rehab	\$190,000
Rehab, Staff Salary and Wages	89,000
Code Enforcement	94,000
Relocation	5,000
Crime Prevention	5,000
Summer Recreation	10,000
Public Services	32,000
Public Improvements	45,000
Interim Assistance	7,000
Economic Development	5,000
Planning and Historic Preservation	3,000
Administration, Salary and Wages	133,000
Contingency	10,000
Total Proposed CDBG Spending	\$628,000

STAFFING/ORGANIZATION

In June of 1996, a restructuring proposal calling for six staff members and a director was approved by the governing body. The proposal was based on what the director felt would be the most effective utilization of existing staff while creating one new position. There has been a turnover in staff since the proposal was approved so functions have been reassigned, based on skill level, as positions were filled. One new staff member is still in training and other staff members have absorbed most of the responsibilities assigned that person. According to the director, the daily demands of the office require that a large amount of available time is utilized performing the

routine day to day functions rather than performing research to assist in developing new initiatives and identifying additional funding sources.

During 1997, the community development director also assumed administrative responsibilities for the economic development and UEZ office. The assumption of those duties was originally intended to be temporary. The director estimates it takes between 15-20 hours a week to complete responsibilities relating to economic development and Urban Enterprise Zone activities.

PLANNED ACTIVITY

The team found that there are at least two distinct planning documents within the city. The first, the municipal master plan, is long range and academic in scope, calling for revitalizing the central business district and encouraging industrial development, providing maximum recreational facilities and open space, expansion of housing types and values, coordinating development with surrounding counties and communities, and coordinating traffic circulation with land use. The master plan does not provide guidance for how the goals could be accomplished.

The second document, entitled the consolidated plan, provides a housing, community and economic needs analysis, a five-year strategic plan, and an annual action plan. This document was created as part of the application to the federal government for Community Development Block Grant funds and is updated annually. The consolidated plan concentrates primarily on stabilizing neighborhoods and, particularly, on providing safe, affordable housing for current residents of Bridgeton.

It appears that neither plan provides specifics as to the long-term goals of the city, measurable outcomes, milestones, priorities, key participants and the various city departments' roles in implementing the plan. While efforts are underway to rehabilitate the existing housing stock in the three selected target areas, the team noted the scattered affect of the housing initiatives.

It appears that the lack of one clear development policy, compounded by an apparent lack of communication and coordination among city departments, is hindering the effectiveness of the smaller efforts of various segments of the city government. Consistent with the master plan, the recreation office continues to work with the state Green Acres office to enhance and increase parkland within the city. Similarly, the community development office proceeds with housing rehabilitation plans as outlined in the consolidated plan. Both offices work independently of each other, with apparently little coordination or communication, resulting in a diluted, fragmented impact.

Recommendation:

It is recommended the city develop one comprehensive, coordinated effort which would provide all of the key elements described above to set the parameters of economic and community development prior to initiating any new ventures. The team believes the lack of a coordinated effort among various branches of the city government will continue to hinder development efforts. Much as the community development office did while developing the consolidated plan, there should be substantial opportunities for public input. Included in this effort should be nonprofit organizations, residents, housing authority, city and state officials, legislators, community leaders, neighboring municipalities and city management staff.

It appears, based on conversations with the directors of community development and planning, the interim director of economic development, zoning officer and a review of the available written staff responsibilities, and comparing the current staffing configuration to those of model cities that are in the process of developing, that there is a fragmentation of the various functions relating to development. It is the team's opinion that the fragmentation has, in large part, lead to the lack of communication and coordination noted throughout this section.

Recommendation:

The team recommends that the city reorganize its development and planning functions into one development office, as shown in Appendix G. The consolidation would allow for a coordinated development effort with each function complimenting the other. It would further provide management for all functions, and would assist in eliminating any problems, which might have occurred as a result of lack of communication and coordination.

The proposed table of organization, which anticipates the combining of the planning and zoning boards detailed under planning and zoning, calls for a director of development, an assistant director, senior clerk typist, clerk typist, rehab specialist, field representative, a staff position for economic development/UEZ, and that staff will continue to support the Historic District Commission and Planning/Zoning Board. It also eliminates the director of planning position and assumes that most routine planning functions will be performed in-house by one of the six full-time staff members, and a consultant will only be used when statute requires the services of a certified planner. By combining several existing departments and expanding staff responsibilities, fewer personnel are needed to accomplish a more coordinated development effort.

In addition to cost savings identified under the planning and zoning section, the proposed table calls for a reduction of 2.55 FTE's, including a program monitor, principal account clerk and .55 FTE of a principle clerk typist position. The position values, respectively, are \$29,610, \$19,677 and \$17,467 for total cost savings of \$66,754.

Cost Savings: \$66,754

HOUSING REHAB

The primary goal of the community development office is the stabilization of the neighborhoods. Rehabilitation of the existing housing stock and increasing private ownership are two of the primary methods used by the community development office to obtain that goal. As discussed in the overview section of this report, half of the housing stock in Bridgeton is at least 50 years old and over 50% of the city's population are moderate income, earning less than 80% of the Cumberland County median income, 24% are in poverty and 17% have public assistance as their primary source of income. The 1989 per capita income was \$10,346, median household income \$21,897 and median family income \$26,243.

The office assists in rehabilitation by providing loans and grants to low and moderate income homeowners, removing lead from city owned properties, providing city owned properties to nonprofit organizations for rehabilitation and by sponsoring New Jersey Housing Mortgage and Finance Authority mortgages.

To date, twenty homes have been rehabilitated, five are in progress, one new single family home has been constructed by Habitat for Humanity, three new homes are pending construction and the city has rehabbed four housing units.

It is stipulated in the ordinance authorizing property transfer to a nonprofit that the property will be for private home ownership and that the project will be completed within two years. All of the properties turned over to the nonprofit have been purchased or are occupied under a lease purchase arrangement.

According to the director, they have been unsuccessful in marketing the four units that were rehabbed by the city because of the location. The city now has to maintain the vacant property, including repainting to eliminate graffiti.

Recommendations:

The reasons the properties that the city rehabilitated are not occupied should be clearly and objectively identified and articulated. Once this is accomplished an aggressive and coordinated effort should be mounted to address those specific issues. It will likely include a concerted effort by police, public works, inspections, social service organizations, and direct public involvement to change the environment of the

particular neighborhood involved. A total commitment by the governing body is essential for this effort to be successful.

It is further recommended that the \$94,000 derived from the CDBG grant, identified on page 11 in the Construction and Housing Inspection section of this report, be reallocated to further the city's efforts toward rehabilitation. These efforts should be made in accordance with the plan outlined above.

**Productivity Enhancement: \$94,000
(Included in Inspection Component)**

The city routinely turns over foreclosed properties to non-profit organizations for rehabilitation and sale for single family ownership.

The city currently owns 39 houses, nine of which are slated for rehab. A review of the inventory of city owned property and an open balance report, which city staff use as a means to manage property inventory, indicates that it can take several years for the city to foreclose on a property. According to the tax collector and director of community development, the city solicitor's office makes the determination of which properties to foreclose on and the timeline for foreclosure.

Generally, the city does not maintain foreclosed property, except for cutting the grass and boarding the windows, which leaves the property vacant and deteriorating.

A tour of the city indicated that one property on the list for potential rehab has since suffered significantly from fire damage and the roofs on two of the units have partially collapsed. In addition, several of the city owned properties are "half doubles" with the other half of the property occupied and maintained. The privately owned half of the house suffers a loss of property value and sometimes the city is forced to incur the cost of negotiating relocation of the occupants.

Recommendation:

The city should maintain the same standard of code compliance on city owned properties as it does for private properties. Further, the policy regarding foreclosures should be incorporated in the plan discussed earlier and should be in consort with the city's efforts to rehab the housing stock. The team cannot emphasize strongly enough the need for Bridgeton to divest itself of city owned property. This relieves the city in the form of liability, maintenance costs and lost tax revenue. The city should take steps to place properties owned by the city back into private ownership expeditiously.

BRIDGETON HISTORIC DISTRICT

The city included approximately two thirds of its total of over 2,200 structures in its historic district, making it the largest historic district in the country. The city has adopted written standards for historic preservation. The district commission meets monthly to discuss any applications, but meetings are canceled if there is no business to transact. As of the writing of this report two meetings were canceled during 1997.

While the team recognizes and appreciates the pride the community has in the history of the city, the governing body must also recognize that this process sometimes inhibits rehabilitation of certain properties as a result of the cost to comply with the historical standards. Further, it is possible that the restrictions may discourage people from purchasing properties within the district.

The generous historic district area designation is one example of the city being perhaps overzealous in its efforts to join movements aimed at preserving the city as it was in the past rather than looking more to the future. Another example of this is reflected in the designation of the extensive recreation space within the city as part of the Green Acres inventory, thereby severely limiting the city's options regarding the use of city owned and maintained property regardless of whether it was purchased with Green Acres funding.

Recommendation:

The city governing body should carefully consider the future impact that programs it participates in will have upon the city and its ability to attract home buyers and businesses into the city. Such generous designations are not consistent with the current concept of targeting smaller well-defined areas for redevelopment to achieve maximum impact.

While the team recognizes the importance the historic heritage has with the residents of Bridgeton the city could consider a re-drafting of the boundaries of the Historic District. This could act as a stimulus for home sales and rehabilitation.

PLANNING AND ZONING**Function/Staffing**

The city contracts for the planning function to a private consultant. The consultant, a certified professional planner, serves under a professional service contract as the city's director of planning. Responsibilities of the planning director described in the contract include: planning, review and reporting on all planning board applications; consultation and coordination with various city officials on planning issues, economic development issues and programs; attendance at meetings of special project committees; presentation of proposed revisions to existing land use ordinances; attendance at regularly scheduled planning board meetings; and other duties, as described by the city. The consultant is generally in Bridgeton one morning a week.

The city has a current master plan. The objectives of the plan, as referred to earlier, include revitalizing the central business district and encouraging industrial development, providing maximum recreational facilities and open space, expansion of the range of housing types and values, coordinating development with surrounding counties and communities, and coordinating traffic circulation with land use. The city adopted its master plan reexamination and revisions in September, 1997 with the review being performed during FY 1997.

The planning board meets every fourth Wednesday evening, on an as needed basis. The planning board meeting was canceled for the months of March and April, 1998. The consultant noted that it is unusual when there is no business for the board to discuss. The consultant also noted that based on the September, 1997 Master Plan reexamination, he now provides bimonthly oral reports to the planning board on the status of projects and housing initiatives as well as economic and community development initiatives. During FY 1997, there were six planning development applications filed. The city has adopted the countywide planning and zoning application.

The zoning officer is part-time and reports to the consultant/director of planning. The zoning officer attends zoning and planning board meetings in an advisory staff role.

The zoning board meets once a month and, like the planning board, is canceled if there is no business to transact. According to the zoning officer, two meetings were canceled in 1997, and the first four of 1998 were also canceled. The majority of the zoning officer's responsibilities involve enforcement of the local property maintenance code and responding to complaints. He estimates he works about 20 hours per week. During FY 1997, there were 115 zoning permit applications and 12 zoning development applications.

The planning office is physically located in a small walled section in the same room as housing inspections. Clerical staff and the zoning officer are located in the construction code office. The clerical staff assists the public with general questions and serves as the coordinators for the permit process.

Financial

The planning director's contract provides that the planning consultant be paid \$90 per hour, not to exceed \$25,000, and the planner is required to be at the city planner office at least 24 hours per month. The hourly rate times the 24 hour per month requirement totals \$920 more than the maximum in the contract. Any required revisions to the master plan are to be performed and billed within the allowed \$25,000, unless otherwise approved by the city.

The City of Bridgeton provides the planning office with .84 FTE and the planning board with .10 FTE divided among two clerical support personnel. There is no clerical staff directly attached to the zoning function but is taken from the planning "pool" on an as needed basis.

In addition to the \$25,337 in staff position value provided by the city during FY 1997, the consultant billed the city \$23,935.

During FY 1997, the planning office collected a total of \$450 for six (6) applications. The consultant estimates it takes approximately 20% to 40% of his time for planning board application activities. If we take 30% on average of the consultant's time as the actual time allocated to planning applications, the city incurred \$7,500 in consultant costs for which it received \$450. The remainder of the consultant's time estimated at \$17,500 is spent working on Green Acres applications, follow-up and conferencing with the zoning officer and construction official.

The part-time zoning officer was paid \$5,741 during FY 1997. In addition, the zoning officer was reimbursed \$2,256 for opting not to take health benefits, for a total of \$7,997. During 1997, \$3,160 was collected for zoning activities.

Recommendation:

It is the team's opinion that the city does not require the services of a part time zoning officer. As referenced in the inspection section of this report, it is the opinion of the team that zoning responsibilities should be transferred to the inspection department. Since the zoning officer has indicated that the bulk of his responsibility involves enforcement of the property maintenance code, it stands to reason that this function would best be administered by the inspection department. The total savings derived by this action would be \$7,997 including the payment in lieu of benefits.

Cost Savings: \$7,997

Two separate assistant city solicitors, both of whom are on the city payroll, provide legal services for these boards. The cost to each board for legal services is \$6,200 for a total of \$12,400.

During FY 1997, the planning and zoning functions cost the city a net amount of \$66,059.

Recommendations:

The consolidation of the planning, zoning, community development and economic development functions under one development department are detailed earlier. Staff within community development has expertise in drafting grant applications and could also draft the Green Acres grant and loan applications and provide necessary follow-up. The consolidation of the development functions will also result in reduction of clerical support for the planning function. Assuming there is a need for five hours of work per month in preparation for and attendance at a planning board meeting, and the certified planner bills at \$90 dollars per hour, the cost for planning services would be reduced from \$23,935 to \$5,400.

Cost Savings: \$18,535

State statute allows for municipalities to combine planning and zoning board functions under one board rather than having two separate boards. The city may want to consider combining both boards based on the low number of planning and zoning applications and the high number of canceled meetings. By combining the planning and zoning boards, the services of only one solicitor would be required, thereby, saving the municipality an additional direct cost of \$6,200.

Cost Savings: \$6,200

INSURANCE

The city is self-insured for all insurance, with the exception of life insurance coverage for employees, boiler and machinery, surety bond, public official liability and umbrella policies. All policies are administered through the business administrator's office. According to the former business administrator, the city routinely solicited informal bids from firms prior to deciding whether they wanted to continue to be self-insured. No records of this action existed and therefore, the team was unable to obtain any verification that bids, informal or formal, had ever been solicited and the most cost effect method for insurance coverage chosen.

PROPERTY, CASUALTY AND WORKERS' COMPENSATION

Umbrella policies, purchased through an agent, cover property and casualty losses in excess of \$25,000. The city appropriates funds annually for the paying of property and casualty claims up to the limit of \$25,000.

There is a committee, comprised of the mayor, one council member, the solicitor or designee, and the business administrator, that reviews and approves claims. That committee, by administrative code, has the authority to approve claims up to \$15,000. Council must authorize claims greater than \$15,000. Although there had been a separate policy prior to 1998 which set the city's maximum liability each year, that policy was not renewed for 1998.

The business administrator assisted the team by providing an overview of the city's 1998 insurance coverage. For 1998, the city budgeted for insurance as follows:

Budgeted Amount	Type of Coverage
\$1,010,000	Health Insurance
35,000	3 rd Party Admin, Workers' Comp.
5,000	Life Insurance
150,000	Umbrella and Other Policies (includes mgt. fee)
100,000	General Property & Casualty Self-Insurance reserve
200,000	Workers' Compensation Self-Insurance reserve
\$1,500,000	Total 1998 Insurance

By comparison, the city appropriated a total of \$1,375,733 (health insurance \$1,000,000, Surety Bond \$17,000 and other \$358,733) in the municipal budget for insurance costs in FY 1997.

According to the business administrator, the city does not, when determining the appropriate amount of funds to reserve for insurance, make an analysis of claims against each type of insurance, nor are funds reserved based on type of insurance and a specific cost per insured item. Further, as previously stated, there are no records available, which show policies, and, if appropriate, management agents fees, were competitively bid. For that reason, it is very difficult

to ascertain the cost for any type of insurance to make comparisons. The current business administrator noted that the city is currently reviewing insurance needs and options and will most probably implement changes for 1999 geared toward cost effectiveness.

Recommendation:

The team commends the city for initiating a review of the current insurance structure and strongly recommends the city undergoes a comprehensive review of its property and casualty insurance needs, including a detailed analysis of claims, to determine the most cost effective method for providing for the city's needs. It is impossible to accurately quantify an amount for this report due to the lack of genuine records. Therefore, \$25,000 is used as a conservative example only and will not be calculated as savings in the Executive Summary.

The city is also self-insured for workers' compensation and uses a third party administrator to process claims. As with other property and casualty insurance claims, an assistant city solicitor represents the city's interest in claims, when appropriate.

The arrangement with the third party administrator is contractual and requires the city pay a flat administrative fee as well as a fee for lost time/petitions, \$500 per claimant, lost time/indemnity claims, \$450 per claimant, medical claims, \$75 per claimant, and incident files, \$50 per incident, as delineated in the contract.

During FY 1997, the city paid the third party administrator \$55,799 and during FY 1998 the city paid \$51,260. According to information provided by the third party administrator, there was a net paid for claims of \$86,248 during 1997 for 64 new and 8 reopened claims. Of that amount, \$40,164 was paid in medical, indemnity, and expenses and \$46,083 was in reserve.

Recommendation:

The city is encouraged to undergo the same type of comprehensive analysis of its workers' compensation insurance needs as it is for property and casualty insurance.

The city has an active safety committee and has materials relating to avoidance of work place injuries located throughout municipal buildings. In addition, each department head is provided with written information regarding how to avoid injuries and what to do in the case an employee should become injured.

The business administrator's office is the point of contact at the city and performs all necessary processing of workers' compensation claims. It appears from the low occurrence of claims during 1997 that all of the city's combined efforts have produced positive results.

The city currently provides 100% salary for the first year, regardless of the staff's salary. The payments begin from the first day of missed work for any worker who is unable to work due to an injury or illness inflicted at work. The current workers' compensation insurance will only reimburse the city for 70% of the salary and wages and only after the eighth day is missed up to the maximum allowed by state statute of \$516 per week. The remaining cost is borne by the city.

The following is a summary, by department, of the salary portion of workers compensation claims during FY 1997:

Department	Total Days Lost Work	Claims	100% Salary	Salary Reimbursed if Capped at \$516 per Week	Savings if Paid 70% to State Cap of \$516	Savings if Not Paid if Out for 1-7 Days	Cost If State Standard Adopted
Comptroller	2	1	\$142.40	\$142.40	\$42.72	\$142.40	\$0.00

Fire	34	1	\$5,341.40	\$3,508.80	\$1,602.42	\$0.00	\$3,508.80
Police	100	5	\$15,857.30	\$10,320.00	\$4,757.19	\$1,885.10	\$8,978.40
Sewer	9	1	\$1,112.40	\$928.80	\$333.72	\$0.00	\$928.80
Water	18	1	\$2,224.80	\$1,857.60	\$667.44	\$0.00	\$1,857.60
Totals:	163	9	\$24,678.30	\$16,757.60	\$7,403.49	\$2,027.50	\$15,273.60

Recommendation:

The city could, by adopting the state guidelines of 70% salary payment beginning at the eighth day of missed work, maximum of \$516 per week, save \$9,405 or 38% over the cost of full salary reimbursement costs during 1997. The \$516 will increase to \$539 in 1999.

Cost Savings: \$9,405

HEALTH AND LIFE INSURANCE

The municipality participates in the State Health Benefits Plan for health benefits and contracts with a private vendor for prescription drug coverage. The city allows employees to opt to not participate in the health insurance program, provided they are covered under another plan. Those opting not participate receive a payment equal to up to 50% of what their insurance premium would have been. During FY 1997, \$36,493 was paid to 17 employees who opted not to accept health insurance. During FY 1998, the city has reimbursed 22 employees for a total of \$46,293. Forty five percent, or \$21,036, was reimbursed to ten non-contract, part time employees and part time heads of departments, as well as all elected officials. The reimbursements were distributed as follows:

Department	Status	Number of Employees Reimbursed	12 Month Reimbursement at 1998 rates	½NJPLUS Cost for same number of employees/ No coverage for PT	Estimated Savings if capped at ½NJPLUS
Mayor/Council	Elected	7	\$15,160.98	\$7,009.52	\$8,151.46
Treasurer	PT	1	\$2,894.58	\$0.00	\$2,894.58
Police and Fire (DPS)	PT	1	\$2,894.58	\$0.00	\$2,894.58
Police	FT	3	\$6,278.10	\$3,004.08	\$3,274.02
Comptroller	FT	2	\$6,767.04	\$2,001.36	\$4,765.68
Housing and Inspection	PT	1	\$3,383.52	\$0.00	\$3,383.52
Housing and Inspection	FT	1	\$3,383.52	\$1,001.36	\$2,382.16
Water/Sewer	FT	2	\$5,790.30	\$2,002.72	\$3,787.58
Community Development	FT	1	\$2,488.92	\$1,001.36	\$1,487.56
Construction Code	FT	1	\$2,895.18	\$1,001.36	\$1,893.82
Collections	FT	1	\$2,488.92	\$1,001.36	\$1,487.56
Streets, Roads and Parks	FT	1	\$2,894.58	\$1,001.36	\$1,893.22
Total		22	\$57,320.22	\$19,024.48	\$38,295.74

Recommendation:

The city is commended for utilizing this option as a cost saving measure. However, it is recommended the city limit participation to full-time employees and that the reimbursement be limited to ½ of the NJ PLUS single coverage, as discussed below.

Cost Savings: \$38,296

Each employment contract addresses medical insurance coverage differently but all require the municipality provide health coverage to, at least, the level of the state health benefits program.

The city has had some success in encouraging 67% of the 192 covered employees to participate in the less expensive managed care plans. Thirty three percent, or 63 employees, participate in the traditional plan. The cost of health insurance for June, 1998 was \$73,342, which would equate to \$880,101 for the 1998 calendar year. All contracts stipulate that employees who retire with at least 25 years of service are entitled to health insurance for a period of five years. Husband/wife coverage can be purchased through the city's plan but the retiree must pay the difference in coverage. The city does not pay for dental coverage.

Each contracted employee receives life insurance ranging from \$2,000 to \$5,000. This benefit is purchased by the city through a private carrier and cost approximately \$440 per month during FY 1997.

Recommendation:

The city should negotiate the same standard which has been applied by the state in its health benefits program, requiring the employee pay the difference between the NJPLUS premium and the alternative plan premium.

The city would save \$13,309 monthly, or \$159,707 annually, in health insurance premiums if the state standard for health insurance coverage were utilized.

This option is not permitted under the current regulations for any community participating in the NJ Health Benefits Plan and therefore cannot be quantified here. This issue is included in the Statutory and Regulatory Reform Section.

Until this change is made the city should negotiate to require any employee to pay 20% surcharge on all coverage other than single. This practice would result in an overall savings of \$80,843 which is about 50% of what would be realized if regulations were changed.

Cost Savings: \$80,843

III. Statutory and Regulatory Reform

The final section of the report, Statutory and Regulatory Reform, attempts to identify those areas where existing state regulations or statutory mandates are brought to the attention of the LGBR review team by local officials, which appear to have an adverse effect on efficient and cost effective local operations. It is common for local officials to attribute high costs and increased taxes to “state mandates.” Each review team is then charged with reporting those areas in this section of the report. The findings summarized below will be reviewed by the appropriate state agency for the purpose of initiating constructive change at the state level.

During the LGBR visit, the business administrator for Bridgeton, expressed some frustration with its health benefit costs due to statutory rules and regulations. The city uses the state health benefits program in an effort to control costs since the state is able to use its market share to achieve lower administrative costs than would be the case if the city were to seek coverage by itself. Existing statutes governing the state’s health benefits system inhibit flexibility by local entities seeking to participate in cost sharing alternatives. The state should consider modifying this legislation which denies local jurisdictions the ability to charge for higher priced health plans or for different deductibles and ceiling amounts other than those in the state health plan. As an example, few private health plans offer a \$100 deductible, however, local entities participating in the state health benefit system are held to this low deductible. Ceiling amounts also have not been changed in a long time. In addition, governments and boards must offer the entire state health plan.

Recommendation:

Local entities should be granted more flexibility with the State Health Benefits Plan. They should be able to negotiate deductibles and ceiling limits using the collective bargaining process. Statutory changes to enable local jurisdictions more choice in health plan design should be sought. If this were permitted the city could realize a cost savings of \$159,707 over current practice.

A portion of this report concentrated on the “911” system in Cumberland County. This change, as suggested in the report, would permit the County 911 Coordinator to absorb the dispatch function now undertaken by the City of Bridgeton. Under current Department of Personnel rules, transfers between municipalities and jurisdictions such as counties are not routinely permitted but must be addressed via “rule relaxation” or special action by the commissioner. Indeed the chief indicated that officers employed in other civil service communities could not transfer without being laid off or taking the test.

This civil service dilemma is a result of many issues and public safety concerns but in the long run costs jurisdictions time and money in seeking qualified candidates; it could even result in higher testing costs to the Department of Personnel. It is understood that residency issues, collective bargaining agreements, and regulation affect this problem, and should addressed.

Recommendation:

Relax State rules that prohibit public safety personnel from routinely transferring to other jurisdiction. This effort could reduce the cost of training, medical evaluations, psychological reviews, and the potential for layoffs in jurisdictions where transfers could reduce costs.

In this instance, permit the Cumberland County agency the right to interview and transfer without additional testing and training to provide “911” coverage at the county level rather than the municipal level.

This recommendation specifically refers to public safety employees because that is the area of most cost saving potential. It could very well apply to other areas as well.

LOCAL GOVERNMENT BUDGET REVIEW

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